

## Chapter 01: Hospital Introduction

### Test Bank

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#### MULTIPLE CHOICE

1. The evolution of hospitals began in ancient times when some of the first institutions were used for the sick. Which institutions were built in Egypt, Greece, and Rome for worshipers of the gods?
- Isolation houses
  - Military hospitals
  - Temples
  - Churches

ANS: C REF: 4

2. The characteristics of an integrated delivery system are a primary care network:
- provides a full range of services.
  - consists of a group of providers from different specialties to offer patients a full range of managed health services.
  - is a network of physicians focused on providing primary care services to patients.
  - is none of the above.

ANS: D REF: 14

3. Hospitals maintain financial stability through the billing process, which involves which of the following?
- Peer review, and case managers
  - Utilization management
  - Insurance and demographic information
  - Payers, demographic information, coding, and accounts receivable (A/R)

ANS: D REF: 4

4. Utilization management refers to procedures implemented to:
- manage use of health care services.
  - identify procedures that are not cost-effective.
  - eliminate waste in the hospital.
  - ensure the proper demographic information is entered.

ANS: A REF: 13

5. Which change(s) that occurred in the health care system by the close of the 20th century contributed to the evolution of hospitals?
- Health care services advanced through new technologies and treatments.
  - Providers diversified into many areas of medicine and were referred to as specialists.
  - Patient care services were delivered in a variety of different environments.
  - All of the above are correct.

ANS: D REF: 9

6. Prepaid health insurance plans that incorporate the provision of coordinated health care services and cost-containment measures to monitor and manage health care services provided to members of the plan are called \_\_\_\_\_ plans.
- fee-for-service
  - capitation
  - managed care
  - group health insurance

ANS: C REF: 13

7. Utilization management procedures are implemented by various health care payers to:
- reduce the amount of health care services provided to patients.
  - manage the utilization of health care services.
  - prevent patients from receiving expensive treatments.
  - reduce the cost of services provided to the patient admitted into the hospital.

ANS: B REF: 13

8. A reimbursement method implemented under a prospective payment system (PPS) that pays hospitals a fixed amount for a hospital stay based on the patient's diagnosis and the severity of that condition is:
- Medicare severity-diagnosis related groups (MS-DRG).
  - diagnosis related groups (DRG).
  - fee-for-service.
  - percentage of accrued charges.

ANS: A REF: 13

9. An organization consisting of a network of providers that are organized within a health system to offer patients a full range of managed health services is:
- a primary care network.
  - a hospital-based health system.
  - an integrated delivery system.
  - primary care providers.

ANS: C REF: 14

10. In 1965, through an amendment of the Social Security Act of 1935, which two government programs were created?
- TRICARE and CHAMPVA
  - Medicare and Medicaid
  - Medicare and TRICARE
  - None of the above
- ANS: B                    REF: 12
11. Economic influences on hospital development in the United States included:
- rising health care costs.
  - hospital overcrowding.
  - government health care programs.
  - all of the above.
- ANS: D                    REF: 11
12. The Hill-Burton Act contributed to the growth and development of hospitals in which of the following way(s)?
- The act mandated the building of new hospitals.
  - The act made funding available, on the basis of state need, through government grants to modernize existing hospitals and build new hospitals.
  - The act made funding available through private grants for new hospitals.
  - The act decreased in the spread of contagious diseases.
- ANS: B                    REF: 12
13. Toward the end of the Renaissance period, hospitals began to be operated by:
- religious organizations.
  - secular authorities.
  - government agencies.
  - none of the above.
- ANS: C                    REF: 6
14. Today's definition of a hospital is a(n):
- house or institution for guests.
  - institution where the sick or injured receive surgical care.
  - facility dedicated to the worship of healer gods.
  - institution where the sick or injured receive medical or surgical care.
- ANS: D                    REF: 3
15. Which organization(s) contributed to the development of medical standards and accreditation?
- American Medical Association (AMA), American Hospital Association (AHA), and the Hospital Standardization Program
  - AHA, American College of Surgeons (ACS), The Joint Commission (TJC) and the AMA
  - AMA, TJC
  - World Health Organization (WHO)
- ANS: B                    REF: 9-11
16. The credit for the birth of medicine is given to:
- Hippocrates.
  - Galen.
  - Hippocrates and Galen.
  - none of the above.
- ANS: A                    REF: 5
17. How does the hospital maintain financial stability through the billing process?
- Medical care provided to a patient must be processed for billing to patients and third-party payers.
  - The hospital performs the necessary functions required to submit all charges for services to patient for reimbursement.
  - A/R management
  - The hospital ensures all hospital departments are paid.
- ANS: A                    REF: 4
18. What were the first three voluntary hospitals founded in the United States?
- Community General Hospital, New York Hospital, and Pennsylvania Hospital
  - Massachusetts General Hospital, Community General Hospital, and New York Hospital
  - Pennsylvania Hospital, New York Hospital, and Massachusetts General Hospital
  - Pennsylvania Hospital in 1751, New York Hospital in 1775, and Massachusetts General Hospital in 1804
- ANS: D                    REF: 9

19. Which of the following is NOT one of the five characteristics of a hospital?
- Network of highly specialized personnel organized into departments designed to carry out tasks required to provide effective and efficient patient care services
  - A medical staff representing many specialties and organized to provide health care services from an interdisciplinary approach
  - Provision of diagnostic, therapeutic, palliative, and preventive services
  - Treatment and discharge of patients on the same day

ANS: D REF: 4

20. Hospital tasks can be grouped into which of the following functional areas?
- Clinical, nursing, administrative and operational departments
  - Operational, clinical, administrative, and legal
  - Administrative, financial, operational, and clinical
  - Operations, collections, clinical, and financial departments

ANS: C REF: 17

## COMPLETION

1. \_\_\_\_\_ information consists of the insurance plan or government program that the patient is insured under including: the plan name and identification number, group name and number, and insured's name and number.

ANS: Insurance

REF: 4

2. The term that describes money owed to the hospital from patients, insurance companies, and government programs such as Medicare, Medicaid, and TRICARE is \_\_\_\_\_.

ANS: accounts receivable

REF: 4

3. Insurance companies or government programs that pay health benefits for patient care services are known as \_\_\_\_\_.

ANS: payers

REF: 4

4. \_\_\_\_\_ services involve tests or procedures performed on a specimen when the patient is not present.

ANS: Nonpatient

REF: 30

5. Patient information such as the patient's name, address, date of birth, sex, and Social Security number is referred to as \_\_\_\_\_.

ANS: demographic information

REF: 4

6. A managed care patient selects a primary care physician (PCP), who is considered the \_\_\_\_\_.

ANS: gatekeeper

REF: 13

7. Hospital departments are developed to perform specialized, \_\_\_\_\_, financial, operational, and clinical tasks.

ANS: administrative

REF: 17

8. \_\_\_\_\_ services are procedures or services performed at the hospital, and the patient is released from the hospital the same day.

ANS: Outpatient

REF: 28

9. A patient who requires care on an ongoing basis for more than 24 hours is admitted to the hospital as an \_\_\_\_\_.

ANS: inpatient

REF: 30

10. \_\_\_\_\_ services are performed to diagnose a patient's condition. When a patient arrives at the hospital with a sign, symptom, illness, injury, or disease, the hospital provides \_\_\_\_\_ services to treat the patient's condition.

ANS: Diagnostic, therapeutic

REF: 28

11. \_\_\_\_\_ services are performed to minimize the acute symptoms of chronic terminal illnesses such as cancer. These services include pain management and social services.
- ANS: Palliative
- REF: 28
12. \_\_\_\_\_ services are provided to promote wellness and prevent illness. They include services performed to detect and treat conditions early and to minimize the effect of disease or disability.
- ANS: Preventive
- REF: 28
13. Therapeutic advances made through the study of plants led to the identification of many new medications, and \_\_\_\_\_ for diseases such as smallpox, diphtheria, typhoid, measles, and chickenpox prevented thousands of deaths.
- ANS: vaccinations
- REF: 9
14. The Credit and Collections Department is responsible for the follow-up on \_\_\_\_\_ .
- ANS: outstanding accounts
- REF: 18
15. The Compliance Department is responsible for the \_\_\_\_\_, implementation, and \_\_\_\_\_ of the compliance program, which contains details regarding how the hospital will meet compliance standards
- ANS: development, monitoring
- REF: 18
16. The \_\_\_\_\_ process involves all tasks required to receive a patient in the hospital, including obtaining \_\_\_\_\_, insurance, and \_\_\_\_\_ information and entering the data into the computer system.
- ANS: admission, demographic, medical
- REF: 18
17. The utilization management department focuses on monitoring health care resources used in the hospital for the purpose of determining that the services are \_\_\_\_\_ and \_\_\_\_\_ in response to the patient's condition, thereby ensuring maximum resource utilization.
- ANS: appropriate, necessary
- REF: 20
18. The \_\_\_\_\_ (EHR) is an electronic version of the patient medical record.
- ANS: electronic health record
- REF: 22
19. Nursing services within a hospital are considered part of the \_\_\_\_\_ or outpatient services provided by the hospital and therefore are not \_\_\_\_\_ billable to patients or third-party payers.
- ANS: inpatient, separately
- REF: 23
20. A \_\_\_\_\_ organization is formed to provide services that benefit a specific community; it is generally considered tax exempt.
- ANS: not-for-profit
- REF: 26

## MATCHING

*Match the term to the definition.*

- Acute
  - Census
  - Per diem
  - Indigent
  - Trephining
- A primitive procedure that involves boring a hole into the skull
  - A payment method used by various payers that reimburses providers for a daily rate for an inpatient stay
  - The sudden onset of a condition or symptom
  - Inventory of rooms assigned to patients who are admitted to the hospital

5. A person who has no means of paying for medical services or treatments and is not eligible for benefits under Medicaid or other public assistance programs

- 1. ANS: E                    REF: 4
- 2. ANS: C                    REF: 13
- 3. ANS: A                    REF: 24
- 4. ANS: B                    REF: 18
- 5. ANS: D                    REF: 26

*Match the term to the definition.*

- a. Evaluation and management (E/M)
  - b. Electronic health record (EHR)
  - c. Hospital
  - d. Coding
  - e. Ancillary services
6. Supportive services required to diagnosis and treat patient that are provided by various departments, such as Radiology
7. A service performed to evaluate and manage a patient's condition, which includes a history, examination, and medical decision making by the provider
8. The process of translating written descriptions of procedures, services, items and patient conditions into numeric or alphanumeric codes
9. A facility where patients with health care problems can go to seek diagnosis and treatment of their condition(s)
10. An electronic version of the patient medical record

- 6. ANS: E                    REF: 23
- 7. ANS: A                    REF: 28
- 8. ANS: D                    REF: 4
- 9. ANS: C                    REF: 3
- 10. ANS: B                    REF: 22

*Match the term to the definition.*

- a. Third-party payer
  - b. Managed care plan
  - c. Fee-for-service
  - d. PPS
  - e. Prepaid health plan
11. A payment method used by various payers that reimburses providers on the basis of charges submitted
12. An organization or entity other than the patient or provider that pays for health care services
13. Health plan that provides health benefits for specified medical services in exchange for prepayment of an annual or monthly premium
14. A health insurance plan that incorporates the provisions of coordinated health care services and cost-containment measures to monitor and manage health care services provided to members of the plan
15. A method of reimbursement systems for services provided to Medicare beneficiaries by which payment is based on a predetermined, fixed amount

- 11. ANS: C                    REF: 13
- 12. ANS: A                    REF: 11
- 13. ANS: E                    REF: 11
- 14. ANS: B                    REF: 13
- 15. ANS: D                    REF: 13

*Match the term to the definition.*

- a. AHA
  - b. Medicaid
  - c. Hill-Burton Act
  - d. AMA
  - e. Medicare
16. Act that provided funding for the growth and development of hospitals for many years
17. Government program that provides coverage for health expenses to individuals older than age 65 and other eligible groups such as the disabled
18. Organization formed in 1906 to promote public welfare by improving health care provided in hospitals
19. Organization formed in 1847 to improve standards of medical education
20. Federal program administered at the state level established under title XIX of the SSA to provide health care benefits for specified individuals and low-income families

- 16. ANS: C                    REF: 12
- 17. ANS: E                    REF: 12
- 18. ANS: A                    REF: 11
- 19. ANS: D                    REF: 10
- 20. ANS: B                    REF: 12

*Match the term to the definition.*

- a. Hospital standardization program
- b. The Joint Commission (TJC)
- c. Health information management (HIM)
- d. Diagnosis Related Groups (DRG)
- e. Quality improvement organization (QIO)

- 21. An organization formed to evaluate and accredit health care organizations, nationally, based on established standards of quality for operations and medical services in the United States
- 22. Program designed by the ACS in 1913 to establish standards for hospital medical care
- 23. An organization that conducts medical reviews to determine whether the quality of care was appropriate and that medical necessity criteria are met
- 24. Hospital department responsible for the organization, maintenance, production, storage, retention, dissemination, and security of patient health information
- 25. The PPS implemented in 1983 that provides reimbursement for inpatient services provided to Medicare patients, based on a predetermined, fixed amount

- 21. ANS: B                    REF: 11
- 22. ANS: A                    REF: 11
- 23. ANS: E                    REF: 13
- 24. ANS: C                    REF: 22
- 25. ANS: D                    REF: 13

*Match the term to the definition.*

- a. Therapeutic service
- b. Observation
- c. Outpatient
- d. Palliative service
- e. Inpatient

- 26. Patient care services provided to a patient who is admitted to the hospital for more than 24 hours
- 27. Service in which patient care is provided and the patient is released within 24 hours
- 28. A service provided to chronically ill patients to help alleviate symptoms of their illness
- 29. An outpatient service provided when a physician believes the patient needs to be monitored closely for 24 hours or more based on the severity of the patient's illness
- 30. A service performed to treat the patient's condition

- 26. ANS: E                    REF: 30
- 27. ANS: C                    REF: 28
- 28. ANS: D                    REF: 28
- 29. ANS: B                    REF: 29
- 30. ANS: A                    REF: 28

*Match the term to the definition.*

- a. Technical component
- b. Professional component
- c. Utilization review (UR)
- d. Payer
- e. Peer review

- 31. The portion of a procedure that represents the physician's work in performing the service such as the reading and interpretation of a radiology film
- 32. The portion of a procedure that represents the overhead used in performing the service such as the technician, supplies, materials, and equipment
- 33. Insurance company or government program that pays health benefits for patient care services
- 34. A review conducted by a physician, after the patient is discharged, to determine whether the care provided during the hospital stay was appropriate based on the patient diagnosis
- 35. The process of reviewing a medical case to determine whether the care provided was appropriate

- 31. ANS: B                    REF: 23
- 32. ANS: A                    REF: 23
- 33. ANS: D                    REF: 4
- 34. ANS: E                    REF: 13
- 35. ANS: C                    REF: 13

#### **TRUE/FALSE**

- 1. A more significant factor in the growth in the number of hospitals during the High Middle Ages was the epidemic spreading of contagious diseases.

ANS: T                    REF: 6

- 2. The main purpose of a hospital is to maintain financial stability.

ANS: F

The main purpose of a hospital is to diagnose and treat illness.

REF: 4

3. Diagnostic advances came as the result of research in the areas of anatomy, body systems, contagious disease, and prevention of disease.  
ANS: T                    REF: 9
4. Advanced medical treatments and standards of care contributed to a decrease in the number of patients seen in hospitals.  
ANS: F  
Advanced medical treatments and standard of care contributed to an increase in the number of patients seen in hospitals.  
REF: 11
5. The Hospital Standardization Program established by the ACS was adopted by the AMA in 2007.  
ANS: F  
The Joint Commission (TJC) adopted the Hospital Standardization program.  
REF: 11
6. The medical record contains a description of services and diagnosis and is not used for billing purposes.  
ANS: F  
  
The medical record contains information regarding the patient's condition, treatment, and progress required to support charges submitted to various payers.  
REF: 22
7. Clinical departments within the hospital perform diagnostic, therapeutic, palliative and preventive services to patients.  
ANS: T                    REF: 22-23
8. Common classifications used to describe the various types of hospital facilities are acute care facility, community hospital, general hospital, private hospital, specialty hospital, teaching hospital, trauma center, and tertiary care hospital.  
ANS: T                    REF: 27
9. Hospitals only provide diagnostic, therapeutic, and palliative services to patients at various levels.  
ANS: F  
Hospitals also provide preventative services.  
REF: 28
10. Outpatient services are procedures or services that are performed and the patient is admitted.  
ANS: F  
Outpatient services are performed and the patient is released from the hospital within 24 hours.  
REF: 28

#### SHORT ANSWER

1. What is the name of a physician selected by a plan member who is responsible for monitoring and managing all care for the patient? This physician is considered "the gatekeeper."  
ANS:  
Primary care physician (PCP)  
REF: 13
2. Which hospitals advanced medical knowledge through the treatment of injured soldiers?  
ANS:  
Roman military hospitals  
REF: 6
3. Which department is responsible for recording patient transactions such as charges, payments, adjustments, and write-offs. It is commonly referred to as *patient accounts* or the *business office*?  
ANS:  
Patient Financial Services (PFS)  
REF: 18
4. As defined under law, what organization is not formed for the sole purpose of making money? It is formed for the purpose of providing services that are designed to benefit the community.  
ANS:  
Not-for-profit  
REF: 26

5. What type of insurance provides coverage for medical services to members of an employer organization or association?

ANS:  
Group health insurance

REF: 12

6. What is the physician called that determines the type of admission for a patient? The physician will prepare orders that outline the diagnostic, therapeutic, or palliative services required.

ANS:  
Attending physician

REF: 30

7. What organization was created to conduct reviews to determine whether the quality of care was appropriate?

ANS:  
Quality Improvement Organizations (QIO)

REF: 13

8. Which government program was created in 1965, through an amendment of the Social Security Act of 1935, to provide coverage for health expenses to individuals older than age 65 and other eligible groups such as the disabled?

ANS:  
Medicare

REF: 12

9. Which department concentrates on reducing risk to the hospital through the development and implementation of procedures designed to minimize the potential for injury within the hospital?

ANS:  
Risk management

REF: 21

10. Which hospital function involves the coordination and management of various tasks required to provide patient care services such as recruitment, management of personnel, volunteer services, advertising, public relations, purchasing of inventory of supplies, materials and equipment, and various legal tasks including compliance?

ANS:  
Administrative

REF: 17

11. What is the portion of a procedure called that includes use of a technician, supplies, materials, and equipment to perform the services?

ANS:  
Technical component

REF: 23

12. Where are patients admitted who have been severely injured due to a major trauma or who are critically ill in order to receive emergency patient care?

ANS:  
Trauma center

REF: 28

13. Contributions of classic Greece and Rome include development of the standards for medical and ethical behavior that physicians follow today. What is this called?

ANS:  
Hippocratic oath

REF: 5

14. What service level involves procedures or services that are performed, and the patient is released from the hospital within 24 hours?

ANS:  
Outpatient services

REF: 28

15. Which type of hospital provides services to patients who experience a sudden onset of a condition, illness, or disease? The patient is diagnosed and treated. The patient's stay at the hospital is short term, generally less than 30 days.

ANS:

Acute care facility

REF: 27