Applied Law and Ethics in Health Care 1st edition Pardew Test Bank

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Name:_____ Class:_____ Date:_____

Chapter 01 The Big Business of Health Care and You

True / False

1. In addition to protecting patients, laws also operate to protect the public.
   a. True
   b. False

ANSWER: True

2. Physicians are not vicariously liable for the behavior of their employees.
   a. True
   b. False

ANSWER: False

3. Most medical office employees are not licensed to practice medicine.
   a. True
   b. False

ANSWER: True

4. Dividends are the net worth of a corporation.
   a. True
   b. False

ANSWER: False

5. In managed care, the actual care a patient receives is influenced by the policies and procedures of the managed care plan.
   a. True
   b. False

ANSWER: True

Multiple Choice

6. If you are not certain that an assigned task is within your scope of practice, what should you do?
   a. Leave the position and seek a job that does not stretch professional boundaries.
   b. Contact regulatory authorities.
   c. Tell the provider that you are not prepared or skilled to do the task.
   d. Raise the concern with the employer and discuss until it is resolved.

ANSWER: d

7. The standard of care for a certified health care professional is _____.
   a. highly developed and dictated by the state
   b. not as well defined as it is for licensed professionals
   c. based on the employer's definition
   d. dependent on the employee's ethical preference

ANSWER: b

8. Which is a legal business entity?

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a. Stockholder
b. Partnership
c. Agent
d. Conglomerate

ANSWER: b

9. Identify the true statement about sole proprietorships.
a. It is a two-person entity.
b. The sole proprietor does not have to pay taxes.
c. The sole proprietor benefits from profits.
d. The sole proprietor cannot hire employees.

ANSWER: c

10. Which of the following statements is true?
a. A medical assistant is held to a lower standard of care than is a layperson.
b. A medical assistant is held to the reasonable person standard.
c. A medical assistant, working as an agent under the physician's direction, may be held to the same standard of care as a physician.
d. A medical assistant is only held to the same standard of care as a physician when dispensing medical advice.

ANSWER: c

11. Personal protection means:
a. protecting yourself from needless co-worker criticism
b. protecting the facility from loss of revenue
c. protecting yourself from loss of earning power
d. protecting the provider from loss of reputation

ANSWER: c

12. Licensure laws:
a. protect physicians and medical office staff.
b. protect the public and serve patients' interests.
c. are set by the federal government.
d. signify exceptional qualifications for the occupation.

ANSWER: b

13. Why is it important for medical assistants to understand and work within the parameters of the laws that apply to a medical office?
a. Doing so protects themselves and their employer.
b. Doing so protects the patient.
c. Doing so protects the physician.
d. Doing so protects the pharmacist and the physician.

ANSWER: a

14. In today's medical office, the certified health care professional is permitted to do which of the following?

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a. Act independently to care for patients
b. Communicate directly with patients
c. Give medical advice
d. Diagnose and treat patients

ANSWER: b

15. Which of the following is a type of legal entity in which one person operates a business for profit and has unlimited personal liability for the business?
a. solo practice
b. sole proprietorship
c. conglomerate
d. limited liability company

ANSWER: b

16. A Patient Bill of Rights offered by many hospitals and other health care facilities are:
a. always required by law.
b. standard among all health care facilities.
c. may differ for each health care facility.
d. required by law in all federal facilities.

ANSWER: c

17. Which is true about a Limited Liability Company (LLC)?
a. An LLC's ground rules are decided by the government.
b. An LLC is owned by a single individual who wants full responsibility for profit and losses.
c. An LLC can be owned by an individual or group.
d. An LLC does not require tax reporting.

ANSWER: c

18. Most medical office professionals are not licensed to practice medicine and _____.
a. must do anything required to assist the patient
b. must carry out their responsibilities without making medical decisions or acting outside the areas of their expertise
c. may sometimes dispense medical advice
d. must carry out their responsibilities without making medical decisions or acting outside the areas of their expertise and may sometimes dispense medical advice

ANSWER: b

19. Locum tenens means:
a. a physician or other professional who is temporarily performing the duties of another.
b. a certification.
c. a legal action pursuant to federal law.
d. scope of practice.

ANSWER: a

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20. A Patient Bill of Rights:
    a. provides billing information related to current treatment.
    b. acknowledges a patient's right to choose, consent to, and to refuse treatment.
    c. explains legal and ethical rights.
    d. explains legal and ethical rights, and acknowledges a patient's right to choose, consent to, and to refuse treatment.

ANSWER: d

21. Which is a feature of the Affordable Care Act (ACA)?
    a. Health plans must cover preventive care.
    b. The No Surprises Act is part of ACA
    c. Eliminates coverage for pre-existing conditions.
    d. Eliminates standards for health insurance plans.

ANSWER: a

22. Which indicates the holder has completed education, experience and has basic minimum qualifications required by state law to perform certain procedures for a specific occupation?
    a. Degree
    b. Being hired to work in a physician's office
    c. A license
    d. Being hired to work in a physician's office and a degree

ANSWER: c

23. What will you receive once you have attained a minimum level of education and training and passed an examination required by an accredited certifying organization?
    a. Degree
    b. Certification
    c. Professionalism
    d. License

ANSWER: b

24. What federal law requires every health plan and provider to maintain reasonable and appropriate safeguards to ensure the confidentiality of health information?
    a. HITECH
    b. FMLA
    c. ACA
    d. HIPAA

ANSWER: d

25. What is the name of profits of a corporation that are distributed to stockholders?
    a. Shares
    b. Dividends
    c. Gifts
    d. Stocks

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ANSWER: b

26. Which is a feature of Managed Care?
    a. Delivering health care with lower costs and increased quality.
    b. Allowing health care services without restrictions.
    c. Eliminating premiums.
    d. Brand name prescription access.

ANSWER: a

27. As a member of society, one is expected to carry out interpersonal relationships in a responsible manner that will not cause harm. This is known legally as holding an individual to what kind of standard?
    a. Standard of care
    b. Reasonable person
    c. Guardian ad litem
    d. Respondeat superior

ANSWER: b

28. What type of MCO does not use primary care physicians as gatekeepers and seeks to improve health care and reduce costs by using groups of physicians, hospitals, and other health care providers to coordinate cost-effective, quality health care and to reward positive patient outcomes by sharing cost-savings with providers?
    a. HMO
    b. POS
    c. ACO
    d. LCO

ANSWER: c

29. What is the name of a legal entity that is an association of two or more individuals who act as co-owners of a business venture?
    a. Corporation
    b. Limited Liability Company
    c. Proprietor
    d. Partnership

ANSWER: d

30. Legal entities include sole proprietorships, partnerships, professional associations, limited liability partnership, and limited liability companies. What is another type of legal entity?
    a. Corporation
    b. Stockholder
    c. Group
    d. Dividend

ANSWER: a

Subjective Short Answer

31. Why should health care professionals understand their legal professional responsibility?

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ANSWER: Ignorance of the law does not protect the professional from being guilty of a violation or the consequences of a violation. Therefore, health care professionals have the responsibility to understand the laws and regulations about their chosen career.

32. Describe how the medical office personnel are the link between the patient and the doctor.

ANSWER: They arrange office visits, laboratory tests, therapeutic appointments, and hospital admissions.

33. Describe fee-for-service.

ANSWER: Fee-for-service is payment per service, sometimes that service is per hour sometimes per service item.

34. When is telemedicine used?

ANSWER: Telemedicine is a health care delivery system used when the patient is in one location and the treating physician is in another, possibly thousands of miles away.

35. Describe the implications for "respondeat superior" as it applies to employee protection while working within their scope of employment.

ANSWER: Respondeat superior ("let the master answer") means that physicians are vicariously liable for the behavior of their employees (such as medical assistants or nurses) while the employees are working within the scope of their employment.

36. Name two forms of Prepaid Group Practices (PGPs).

ANSWER: Staff model and group model

37. Define negligence.

ANSWER: Negligence is not using reasonable and prudent care within the circumstance.

38. Describe the differences among a sole proprietorship, partnership, and corporation.

ANSWER: Answers should include: Sole Proprietor is a single physician, therapist, or other licensed health care profession operating a business alone. A partnership is two or more people who combine their work, money, and talents to do what one could not do alone. A corporation is a group of people banding together and creating an artificial being, or entity, that can do something that the members of the group could not do individually.

39. Identify two types of Health Maintenance Organizations (HMOs) provider payment structures.

ANSWER: Answers should include: Prepaid Group Practice (PGP) are a group of physicians who agree to provide comprehensive health care services for a fixed prospective per capita payment to a definite population. Individual Practice Associations (IPAs) are groups of physicians who join together into an agreement with other organizations to provide medical services to a defined population.

40. Define the term managed care.

ANSWER: Answers should include: Managed Care is a term used to describe a system of integration of the financing and delivery of health care to provide comprehensive services to an identified segment of the population.

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