

TRUE/FALSE

1. The coder’s responsibility is to ensure that the data are as accurate as possible not only for classification and study purposes but also to obtain appropriate reimbursement.
- ANS: T                      PTS: 1                      DIF: 1                      TOP: THEORY
2. The *Federal Register* is the official publication for all “Presidential Documents,” “Rules and Regulations,” “Proposed Rules,” and “Notices.”
- ANS: T                      PTS: 1                      DIF: 1                      TOP: THEORY
3. Nationally, unit values have been assigned for each service by Medicare (CPT and HCPCS) and determined on the basis of the resources necessary for the physician’s performance of the service.
- ANS: T                      PTS: 1                      DIF: 1                      TOP: THEORY
4. Fraud is an intentional deception or misrepresentation that an individual knows to be false or does not believe to be true and makes knowing that the deception could result in some unauthorized benefit to himself/herself or some other person.
- ANS: T                      PTS: 1                      DIF: 1                      TOP: THEORY
5. Kickbacks from patients are allowed under certain circumstances according to Medicare guidelines.
- ANS: F                      PTS: 1                      DIF: 1                      TOP: THEORY

MULTIPLE CHOICE

6. The Medicare program was established in:
- a. 1955    c. 1965  
b. 1960    d. 1970
- ANS: C                      PTS: 1                      DIF: 1                      TOP: THEORY
7. Medicare Part A pays for:
- a. professional services and durable medical equipment  
b. hospital/facility care  
c. physician services and durable medical equipment  
d. hospital/facility care and durable medical equipment
- ANS: B                      PTS: 1                      DIF: 1                      TOP: THEORY
8. Medicare Part B pays for:
- a. durable medical equipment  
b. hospital/facility care  
c. physician services and durable medical equipment  
d. hospital/facility care and durable medical equipment
- ANS: C                      PTS: 1                      DIF: 1                      TOP: THEORY
9. Who handles the day-to-day operation of the Medicare program for the CMS?
- a. HCFA    c. MACs  
b. peer review organization                      d. IPPS
- ANS: C                      PTS: 1                      DIF: 1                      TOP: THEORY
10. Medicare pays for what percentage of covered charges?
- a. 70%    c. 80%  
b. 75%    d. 85%
- ANS: C                      PTS: 1                      DIF: 1                      TOP: THEORY
11. The incentive to Medicare participating providers is:
- a. direct payment on all claims                      c. faster processing  
b. a 5% higher fee schedule                      d. all of the above
- ANS: D                      PTS: 1                      DIF: 1                      TOP: THEORY
12. Part B services are billed using:
- a. RBRVS, GPCI, and RVUs                      c. MS-DRGs  
b. ICD-10-CM, CPT, HCPCS                      d. APCs
- ANS: B                      PTS: 1                      DIF: 1                      TOP: THEORY

13. Who is the largest third-party payer in the nation?
- Blue Cross Blue Shield
  - Aetna
  - Cigna
  - the government
- ANS: D                      PTS: 1                      DIF: 1                      TOP: THEORY
14. A major change took place in Medicare in \_\_\_\_ with the enactment of the Omnibus Budget Reconciliation Act.
- 1989
  - 1992
  - 1997
  - 2000
- ANS: A                      PTS: 1                      DIF: 1                      TOP: THEORY
15. The physician fee schedule is updated each April 15 and is composed of:
- the relative value units for each service
  - a geographic adjustment factor to adjust for regional variations in the cost of operating a health care facility
  - a national conversion factor
  - all of the above
  - none of the above
- ANS: D                      PTS: 1                      DIF: 3                      TOP: THEORY
16. If a surgeon performs more than one procedure on the same patient on the same day, and discounts were made on all subsequent procedures, Medicare would pay what percentages for the first, second, third, fourth, and fifth procedures?
- 100%, 100%, 100%, 100%, 100%
  - 100%, 50%, 50%, 50%, 25%
  - 100%, 50%, 50%, 25%, 25%
  - 100%, 50%, 50%, 50%, 50%
- ANS: D                      PTS: 1                      DIF: 2                      TOP: THEORY
17. Medicare sets the payment level for assistant surgeons at a percentage of the fee schedule amount for the \_\_\_\_ surgical service.
- global
  - united
  - partial
  - subsequent
- ANS: A                      PTS: 1                      DIF: 2                      TOP: THEORY
18. What edition of the *Federal Register* would hospital facilities be especially interested in?
- October
  - November or December
  - January
  - July
- ANS: A                      PTS: 1                      DIF: 2                      TOP: THEORY
19. What edition of the *Federal Register* would outpatient facilities be especially interested in?
- October
  - November or December
  - January
  - July
- ANS: B                      PTS: 1                      DIF: 2                      TOP: THEORY
20. What are the three items that the Medicare beneficiaries are responsible for paying before Medicare will begin to pay for services?
- personal care items
  - deductibles, drug costs, personal care items
  - premiums
  - deductibles, premiums, and coinsurance
- ANS: D                      PTS: 1                      DIF: 3                      TOP: THEORY
21. Medicare funds are collected by:
- U.S. Food and Drug Administration
  - Social Security Administration
  - National Centers for Health Statistics
  - Department of the Treasury
- ANS: B                      PTS: 1                      DIF: 3                      TOP: THEORY
22. CMS handles the daily operation of the Medicare program through the use of \_\_\_\_ \_\_\_\_ \_\_\_\_, formerly Fiscal Intermediaries.
- Medical Adjustment Contractor
  - Medicare Administrative Cooperative
  - Medicare Administrative Contractors
  - Medical Administrative Contractors
- ANS: C                      PTS: 1                      DIF: 1                      TOP: THEORY
23. Which of the following is NOT a stated goal of the Physician Payment Reform?
- decrease Medicare expenditures
  - assure quality health care at a reasonable cost
  - limit provider liabilities
  - redistribute physician payment more equitably
- ANS: C                      PTS: 1                      DIF: 1                      TOP: THEORY

24. If a QIO provider renders a covered service that costs \$100 and bills Medicare for the service and Medicare allowed \$58, the provider would bill this amount to the patient.
- a. \$42
  - b. \$58
  - c. \$100
  - d. \$0
- ANS: D                      PTS: 1                      DIF: 1                      TOP: THEORY
25. The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 established these new benefits available under the Medicare program.
- a. Part A
  - b. Part B
  - c. Part C
  - d. Part D
- ANS: D                      PTS: 1                      DIF: 1                      TOP: THEORY
26. This program is also known as Medicare Advantage.
- a. Part A
  - b. Part B
  - c. Part C
  - d. Part D
- ANS: C                      PTS: 1                      DIF: 1                      TOP: THEORY
27. \_\_\_\_\_ are activities involving the transfer of health care information and \_\_\_\_\_ means the movement of electronic data between two entities and the technology that supports the transfer.
- a. Transmissions, transaction
  - b. Transactions, transmission
  - c. Interchanges, transmission
  - d. Transmissions, interchange
- ANS: B                      PTS: 1                      DIF: 1                      TOP: THEORY
28. The \_\_\_\_\_ program was developed by Congress to monitor the necessity of hospital admissions and review the treatment costs and medical records of hospitals.
- a. Medicare Administrative Contractors (MACs)
  - b. Quality Improvement Organizations (QIO)
  - c. Health Maintenance Organization (HMO)
  - d. Special Needs Plan (SNP)
- ANS: B                      PTS: 1                      DIF: 1                      TOP: THEORY
29. The conversion factor (CF) is a national dollar amount that is applied to all services paid on the basis of the \_\_\_\_\_.
- a. Special Needs Plan
  - b. Affordable Care Act
  - c. Private Fee-for-Service Plan
  - d. Medicare Fee Schedule
- ANS: D                      PTS: 1                      DIF: 1                      TOP: THEORY
30. Identify the Medicare part with this coverage: Hospice care
- a. Part A
  - b. Part B
  - c. Part D
- ANS: A                      PTS: 1                      DIF: 1                      TOP: THEORY
31. Identify the Medicare part with this coverage: Prescription drug
- a. Part A
  - b. Part B
  - c. Part D
- ANS: C                      PTS: 1                      DIF: 1                      TOP: THEORY
32. Identify the Medicare part with this coverage: Physician visits
- a. Part A
  - b. Part B
  - c. Part D
- ANS: B                      PTS: 1                      DIF: 1                      TOP: THEORY
33. Identify the Medicare part with this coverage: Automatic coverage when age 65
- a. Part A
  - b. Part B
  - c. Part D
- ANS: A                      PTS: 1                      DIF: 1                      TOP: THEORY

**COMPLETION**

*Identify these acronyms.*

34. CMS \_\_\_\_\_

ANS: Centers for Medicare and Medicaid Services

PTS: 1                      DIF: 3                      TOP: THEORY

35. QIO \_\_\_\_\_

ANS: Quality Improvement Organizations

PTS: 1 DIF: 3 TOP: THEORY

36. RBRVS \_\_\_\_\_

ANS: Resource Based Relative Value Scale

PTS: 1 DIF: 3 TOP: THEORY

37. OBRA \_\_\_\_\_

ANS: Omnibus Budget Reconciliation Act

PTS: 1 DIF: 3 TOP: THEORY

38. MAAC \_\_\_\_\_

ANS: Maximum Actual Allowable Charge

PTS: 1 DIF: 3 TOP: THEORY

39. RVU \_\_\_\_\_

ANS: Relative Value Unit

PTS: 1 DIF: 3 TOP: THEORY

40. OIG \_\_\_\_\_

ANS: Office of the Inspector General

PTS: 1 DIF: 3 TOP: THEORY

41. DHHS \_\_\_\_\_

ANS: Department of Health and Human Services

PTS: 1 DIF: 3 TOP: THEORY

*Answer the following.*

42. In the role as a medical coder, it is your responsibility to ensure that you code \_\_\_\_\_ and completely to optimize reimbursement for services provided.

ANS: accurately

PTS: 1 DIF: 3 TOP: THEORY

43. The \_\_\_\_\_ (two words) is a national dollar amount that is applied to all services paid on the basis of the MFS.

ANS: conversion factor

PTS: 1 DIF: 3 TOP: THEORY

44. The amount determined by multiplying the RVU weight by the geographic index and the conversion factor is called the \_\_\_\_\_ (two words) amount.

ANS: fee schedule

PTS: 1 DIF: 3 TOP: THEORY

45. For endoscopic procedures, Medicare allows the full value of the highest valued endoscopy, plus the difference between the next highest endoscopy and the \_\_\_\_\_ endoscopy.

ANS: highest

PTS: 1 DIF: 3 TOP: THEORY

46. The provider or facility is \_\_\_\_\_ when the payment goes directly to the patient.

ANS: nonparticipating

PTS: 1 DIF: 1 TOP: THEORY

47. Under the RBRVS, the unit value is termed \_\_\_\_\_ Value Unit.

ANS: Relative

PTS: 1                      DIF: 1                      TOP: THEORY

**MULTIPLE RESPONSE**

48. Select the three goals of the Physician Payment Reform.

- a. increase maximum allowable charge
- b. decrease Medicare expenditures
- c. redistribute physician payments more equitably
- d. remove standard rates of increase
- e. clarify the provisions of the physician fee schedule
- f. assure quality health care at a reasonable cost

ANS: B, C, F              PTS: 1                      DIF: 5                      TOP: THEORY

49. Select the three components of the relative value unit.

- a. work
- b. beneficiary
- c. training
- d. malpractice
- e. processing
- f. overhead

ANS: A, D, F              PTS: 1                      DIF: 5                      TOP: THEORY

50. Select the three types of persons eligible for Medicare.

- a. those with permanent kidney failure
- b. those with chronic conditions
- c. those 65 and over
- d. those 60 and over
- e. those with disability benefits

ANS: A, C, E              PTS: 1                      DIF: 4                      TOP: THEORY