

GAHE BOG Prep 2022

Week 1 Quiz & Answer Key

Healthcare

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1. Which of the following environmental assumptions for the next decade is *not* reasonable?

- A. Cost containment pressures will continue to be a dominant factor in the delivery of health services
- B. There will be decreased morbidity (substance abuse, violence, accidents, etc.) due to increased marketing efforts and technological advances
- C. Continued growth in new technologies will focus on cost-saving technologies that move care from inpatient settings to out-of-hospital settings
- D. There will be continuing efforts to measure and assure quality of healthcare services

- Correct answer is B

-Substance abuse, violence, and other social problems have continued relatively unabated. Neither social marketing nor technological advances have shown any significant effect on the prevalence of these problems which ultimately become the responsibility of the healthcare system

Source: Shortell, S.M., Morrison, E.M. and Friedman, B. Strategic Choices for America's Hospitals: Managing Change in Turbulent Times. 1992. chapters 1-2, 5-9

2. The principal reason for small and mid-sized employers to join buyers cooperatives is to enable them to:

- A. Drop coverage from existing insurers
- B. Gain leverage to obtain prices similar to large employers
- C. Negotiate directly with physicians and hospitals
- D. Lobby government agencies for more protection from insurers

- Correct answer is B

Buyers cooperatives are an integral part of most healthcare reform proposals and many already exist to serve small and mid-sized employers. Healthcare providers need to understand their goals and what employers who join them hope to gain.

Source: Hurley, R. and Thompson, J. “Schmoozing with the Enemy: Conversations with Employee Benefits Managers” Hospital & Health Services Administration (Summer 1993) 197-214

3. The development of preferred provider organizations was originally intended to:

- A. Guarantee that hospitals maintain their occupancies
- B. Promote networks that would evolve into multihospital systems
- C. Offer an alternative to the health maintenance organization
- D. Force high-priced hospitals out of local markets via discounts

- Correct answer is C

First-generation PPOs emerged as a defensive maneuver for insurance companies and providers to compete with HMOs. They were characterized by fee-for-service payment and inclusive (versus exclusive) networks.

Source: Miller R., and Luft H. “Managed Care: Past Evidence and Potential Trends” *Frontiers of Health Services Management* (Spring 1993); 3-37.

4. An important reason for a hospital and its medical staff to explore the development of physician-hospital organizations is to:

- A. Permit contracting with plans that want to buy both hospital and physician services
- B. Begin development of a hospital-based health maintenance organization
- C. Eliminate poor-performing physicians from the organization
- D. Provide a way to put all physicians on salary

Correct answer is A

PHOs are still in their formative stages, but it is clear that the major motivator is to position both parties to contract jointly; this cannot be accomplished without some type of unified entity. Likewise, managed care companies wishing to pay capitation for the full scope of services will need contractors with the ability to delivery at least physician and hospital services.

Source: Burns, L. and Thorpe, D. "Trends and Models in Physician-Hospital Organizations." Health Care Management Review (1993): 18 (4).

5. Healthcare organizations encourage their employees to contribute to the United Way and other community groups primarily because these agencies:

- A. Promote the image of the healthcare organization
- B. Provide funds to support many community services
- C. Will return funds to the healthcare organization
- D. Have healthcare organization executives on their boards

- Correct answer is **B**
- United Way agencies are the major financier of voluntary health and social service programs at the local level. Support for them is essential and most organizations, health and otherwise, encourage employee support of them.
- Source: Rakich, J. ,Longest, B., Darr, K. Managing Health Services Organizations, 3rd ed. 1993. chapter 17

6. Which of the following are not examples of impairment of health professionals?

- A. Substance abuse
- B. Cognitive ability changes
- C. Sensory perception deprivation
- D. Surly personality

- Correct answer is D
- Unfortunately, being difficult to deal with is not considered an impairment, but behaviors with medical diagnoses are

7. What age group will consume the greatest per capita healthcare resources in the 21st century?

- A. 65-74 years
- B. 75 years and older
- C. 45-64 years
- D. 0-1 year

- Correct answer is **B**

Per capital the frail elderly consume the most healthcare resources

8. The principal advantage for an inpatient facility to affiliate with a geriatric-care program is that such an arrangement:

- A. Provides for a continuum of care for patients
- B. Permits patients to receive care in the home setting
- C. Requires less skilled personnel to provide the care
- D. Is less costly to the patient

- Correct answer is **A**

Provides for a continuum of care for patients

9. A hospice may be described as a/an:

- A. Intermediate care facility
- B. Extended-care facility that specializes in the treatment of the chronically ill
- C. Facility where terminally ill patients can receive special attention
- D. Interrelated group of healthcare services

- Correct answer is C

Hospices are limited to treat the terminally ill patient

10. The primary function of an extended-care unit is to provide:

- A. Post-acute care services in a rehabilitation-oriented environment
- B. Self-care facilities for ambulatory patients
- C. Additional facilities for geriatric cases
- D. More intensive nursing care for chronically ill patients

- Correct answer is A

Extended care units within a hospital are for patients requiring post-acute care services in a rehab-oriented environment

11. **The sole purpose of the medical/ professional staff organization is to:**
- A. Meet accreditation standards
 - B. Review the standards of patient care
 - C. Review the credentials of physicians applying for membership
 - D. Safeguard patient safety

- Correct answer is D

The sole purpose should be to safeguard patient safety

12. The establishment of an appropriate credentialing procedure for members of the medical/professional staff should ultimately be a decision of the:

- A. Entire medical/professional staff
- B. Credentials committee
- C. Governing authority
- D. Medical/professional executive committee

- Correct answer is C

You almost can't go wrong in selecting Governing Authority for any question that asks who is ultimately responsible

- 13. Insurance companies and other payors have introduced preadmission certification for elective hospital stays in order to:**
- A. Cause physicians to reconsider need for service
 - B. Facilitate communication between hospitals and the attending physician
 - C. Establish clinical necessity prior to service
 - D. Encourage the patient to obtain a second opinion

- Correct answer is C

Precertification by payors has become an important, albeit intrusive, issue with which hospital managers have to deal with on a continuing basis. Its purpose is a simple, straightforward one, which has been misconstrued and misunderstood because it is carried out in such varied fashion with varying quality.

Source: Kongstvedt, P. The Managed Care Handbook, 3rd ed., 1996, chapter 17

14. In the field of healthcare services, which of the following trends has significantly increased the need to develop more comprehensive and more systematic credentialing processes in healthcare facilities?

- A. The increased number of independent healthcare practitioners
- B. The expansion of governmental regulations covering the operation of healthcare facilities
- C. The growth of ambulatory healthcare services
- D. The growth of liability of healthcare facilities for malpractice by health practitioners

- Correct answer is D

The growth of liability for all parties has increased the need to develop more comprehensive and systematic credentialing processes for all professionals who practice within the facility

15. It is important for the CEO of a healthcare organization to represent the organization at state and regional associations and to other organizations in the community because:

- A. The organization's spokesperson is the person who is most knowledgeable about the organization
- B. The CEO can use the opportunity to explore external threats to the organization
- C. These activities develop exchange relationships and are therefore crucial to the organization
- D. Consumer surveys indicate that, within the community, the CEO is the most visible spokesman for the organization

- Correct answer is C

These activities develop exchange relationships and are therefore crucial to the organization

16. Which of the following leadership actions most clearly supports organizational transformation toward continuous quality improvement?

- A. Convening and chairing the Performance Improvement Council
- B. Changing the name of the quality department from Quality Management to Performance Improvement
- C. Requiring all direct reports to attend an introductory course in Six Sigma
- D. Hiring a “Chief Experience Officer”

- Correct answer is A

17. Operational planning can be correctly defined as:

- A. A function of establishing the annual budget by accumulating departmental information.
- B. The process by which short-range objectives and actions are established and implemented in accordance with the strategic plan.
- C. An annual process of developing, evaluating and implementing goals based on community needs.
- D. Determining the major types of services offered based on profit margins.

- Correct answer is B

18. When a specialist within the organization provides a directive or states an opinion, there is recognition of that individual as an expert in the field. This is an Example of what type of authority?

- A. Positional
- B. Functional
- C. Personal
- D. Charismatic

- Correct answer is B

19. Which of the following statements is in accordance with the principle of delegation?

- A. The executive who subscribes to the principle of delegation knows what he/she wants to accomplish and exercises control over the work schedule of subordinates.
- B. An executive explains how he/she wants things done and points out how the subordinate's contribution fits into the overall plan.
- C. A successful executive give instructions, tell subordinates exactly how and in what sequence things should be done.
- D. In applying the principle of delegation, an executive makes relatively few decisions personally and frames order in broad general terms

- Correct answer is D

20. A manager who seeks input from other prior to making a decision is engaging in which leadership style?

- A. Autocratic
- B. Participative
- C. Democratic
- D. Laissez-faire

- Correct answer is B

21. How should supervisors behave toward informal leaders in the organization?:

- A. Maintain a positive attitude toward informal leaders.
- B. Ensure informal leaders remain at a moderately low status within the work group.
- C. Grant informal leaders occasional favors.
- D. Pass information on to informal leaders before giving it to formal leaders

- Correct answer is A

22. Which of the following is the best way to assign costs in responsibility management?

- A. Allow each department manager to be responsible for a different type of fixed cost
- B. Allow each department manager to choose the cost that he/she prefers to control
- C. Assign costs to the department manager who is responsible for making decisions about those costs.
- D. Assign costs equally to all managers thus allowing equal responsibility for costs.

- Correct answer is C

23. Two independent healthcare organizations interested in discussing a joint venture to initiate a cancer treatment program would be wise to initially consult with their legal counsel to determine if their:

- A. Liability is equal even though disproportionately owned.
- B. Financial gains or losses can be shared unequally.
- C. Discussions might violate antitrust statutes.
- D. Current facilities can accommodate the program.

- Correct answer is C

24. Successful approaches to strategic planning include:

- A. A well-written mission statement, long-range plan, and fiscal plan plus the history and discussion surrounding them.
- B. Avoidance of high-risk decisions.
- C. Not paying attention to the competitor's activity.
- D. Using rules and past experience as a guide to future action.

- Correct answer is A

25. The management accountability of a senior executive can best be determined by a formal evaluation of performance if the:

- A. Governing authority receives copies of the evaluation.
- B. Performance objectives are discussed and agreed upon at the time of employment
- C. Review is conducted annually.
- D. Review is conducted by a committee

- Correct answer is B

26. Mission statements::

- A. Are frequently changed in response to environmental issues and marketing trends.
- B. Do not require formal board action when revised.
- C. Require financial parameters.
- D. Identify in broad terms the purposes for which an organization exists.

- Correct answer is D