

Chapter 01: Role of an Insurance Billing Specialist

Smith: Fordney's Medical Insurance and Billing, 16th Edition

MULTIPLE CHOICE

1. The primary goal of an insurance billing specialist is:
 - a. to manage the health care organization's billing office
 - b. to ensure the cash flow of a health care organization through revenue cycle management
 - c. to send bills to patients for services they receive
 - d. to post payments received from patients and insurance carriers

ANS: B DIF: Moderate OBJ: 2

2. Facility billing includes charging for medical services provided by:
 - a. physicians
 - b. laboratory services
 - c. ambulance services
 - d. ambulatory surgical centers

ANS: D DIF: Easy OBJ: 2

3. A claims assistance professional
 - a. works for the consumer.
 - b. works for the health care organization.
 - c. works for an insurance company.
 - d. works for the federal government.

ANS: A DIF: Easy OBJ: 2

4. What is "cash flow" in a medical practice?
 - a. The actual money available to a medical practice
 - b. The amount of money received by a medical practice in 1 day
 - c. The amount of money received by a medical practice in 1 month
 - d. The amount of outstanding money on the accounts receivable

ANS: A DIF: Moderate OBJ: 2

5. Which level of education is generally required for one who seeks employment as an insurance coder?
 - a. College diploma
 - b. High school diploma
 - c. Completion of an accredited program for coding certification
 - d. No specific level of education is required

ANS: C DIF: Easy OBJ: 4

6. The amount of money an insurance billing specialist earns is dependent on which of the following factors?
 - a. Knowledge
 - b. Experience

- c. Size of employing institution
- d. All are correct

ANS: D DIF: Moderate OBJ: 5

7. A self-employed medical insurance biller who does independent contracting is responsible for
- a. advertising.
 - b. billing.
 - c. accounting.
 - d. All are correct.

ANS: D DIF: Hard OBJ: 2

8. Medical etiquette refers to
- a. consideration for others.
 - b. moral principles or practices.
 - c. laws.
 - d. the Oath of Hippocrates.

ANS: A DIF: Moderate OBJ: 9

9. The process of shortening words and using abbreviations that do not follow standard grammar, spelling and punctuation when writing electronic mail communications is referred to as:
- a. emoticons
 - b. abbreviations
 - c. text speak
 - d. short text

ANS: C DIF: Easy OBJ: 9

10. Professional ethics include
- a. state laws.
 - b. federal laws.
 - c. standards of conduct.
 - d. civil torts.

ANS: C DIF: Moderate OBJ: 9

11. The earliest written code of ethical principles for the medical profession is the
- a. Oath of Hippocrates.
 - b. Socratic oath.
 - c. Code of Hammurabi.
 - d. Medicolegal oath.

ANS: C DIF: Easy OBJ: 9

12. What is the name of the modern code of ethics that the American Medical Association (AMA) adopted in 1980?
- a. The Modern Standards of Conduct Code
 - b. The Principles of Medical Ethics
 - c. The Oath of Hippocrates

d. The *American Medical Association Code of Ethics*

ANS: B DIF: Easy OBJ: 9

13. Reporting incorrect information to government-funded programs is
- unethical.
 - illegal.
 - abuse.
 - fraud.

ANS: B DIF: Moderate OBJ: 9

14. The doctrine stating that physicians are legally responsible for both their own conduct and that of their employees is known as
- respondeat superior*.
 - let the master answer.
 - vicarious liability.
 - All are correct.

ANS: D DIF: Hard OBJ: 10

15. What is the independent contractor's liability if they operate their own medical insurance billing company?
- None. The professional liability insurance of the company they contract with will cover them.
 - The independent contractor is liable and should purchase errors and omissions insurance.

ANS: B DIF: Moderate OBJ: 10

COMPLETION

1. _____ is the total income produced by a health care organization.

ANS: Revenue

DIF: Moderate OBJ: 1

2. An individual health care provider's patient charts which includes notes and information collected by them is referred to as the: _____

ANS: Medical record

DIF: Moderate OBJ: 3

3. Information collected from clinicians in all health care organizations who are involved in a patient's care which is made available to all authorized clinicians to access when providing patient care is the: _____

ANS: Health record

DIF: Moderate OBJ: 3

4. Charging for services done in hospitals, acute care hospitals, skilled nursing or long-term care facilities, rehabilitation centers, or ambulatory surgical centers is known as _____ billing.

ANS: facility

DIF: Moderate OBJ: 2

5. Charging for services performed by physicians, nurse practitioners, licensed clinical social workers and physical therapists is known as _____ billing.

ANS: professional

DIF: Moderate OBJ: 2

6. Individuals who are employed by an insurance carrier and whose role is to analyze and process incoming claims, checking them for validity and determining if the services were reasonable and necessary are referred to as _____.

ANS: claims examiners

DIF: Moderate OBJ: 3

7. Individuals who work for consumers and help patients organize, file and negotiate health insurance claims. _____

ANS: Claims assistance professionals

DIF: Easy OBJ: 3

8. Patients who do not have any medical insurance and are liable for the entire bill are referred to as _____ patients.

ANS: self-pay

DIF: Easy OBJ: 3

9. Transmitting, receiving, storing, and forwarding of text, voice messages, attachments, or images by computer from one person to another is referred to as _____ mail.

ANS: electronic

DIF: Moderate OBJ: 3

10. Standards of conduct by which an insurance billing specialist determines the propriety of his or her behavior in a relationship are known as medical _____.

ANS: ethics

DIF: Moderate OBJ: 9

11. The Greek physician known as the Father of Medicine devised the _____.

ANS: Oath of Hippocrates

DIF: Easy OBJ: 2

12. Most health care professionals have a well-defined _____ which easily draws a boundary on things which the professional can do and things they are not supposed to do.

ANS: scope of practice

DIF: Moderate OBJ: 3

13. *Respondeat superior*, which literally means “let the master answer,” is also known as _____ liability.

ANS: vicarious

DIF: Hard OBJ: 1

14. _____ insurance should be purchased by independent contractors to protect them in the loss of money that may be caused by their preparation or submission of an insurance claim.

ANS: Errors and omission

DIF: Moderate OBJ: 10

15. Insurance billing specialists should confirm with their health care employer, as to whether the organization’s _____ insurance will protect them if they are brought to litigation by the state or federal government.

ANS: Professional liability or malpractice

DIF: Moderate OBJ: 10

TRUE/FALSE

1. Over the years, medical billing has become extraordinarily complex.

ANS: T DIF: Easy OBJ: 1

2. The health care industry is one of the most heavily regulated industries in the United States.

ANS: T DIF: Easy OBJ: 1

3. The insurance billing specialist is required to understand the function of the billing department; however, other departments are typically not their concern.

ANS: F DIF: Easy OBJ: 2

4. Documenting pertinent clinical notes in the patient's medical record is often performed by the insurance billing specialist.

ANS: F DIF: Easy OBJ: 2

5. Generally, a high school diploma is not required for an insurance billing specialist.

ANS: F DIF: Easy OBJ: 4

6. According to the US Bureau of Labor Statistics employment in the field of medical billing is expected to increase after the next 10 years due to the aging population.

ANS: F DIF: Easy OBJ: 5

7. Working in a physician's office as an insurance billing specialist carries greater responsibilities than operating a self-owned insurance billing business.

ANS: F DIF: Moderate OBJ: 10

8. Knowledge of medicolegal rules and regulations of various insurance programs is essential for the insurance billing specialist to avoid filing claims that may be considered fraudulent or abusive.

ANS: T DIF: Easy OBJ: 6

9. Expertise in the legalities of collection on accounts is essential for the insurance billing specialist to avoid lawsuits related to medical collection of accounts receivable.

ANS: T DIF: Easy OBJ: 6

10. In most health care organizations, the insurance billing specialist does not have to be attentive to apparel or grooming as they are not involved in providing direct patient care.

ANS: F DIF: Moderate OBJ: 7

11. E-mails are a cost-effective method of sending messages and cannot be brought into legal proceedings.

ANS: F DIF: Moderate OBJ: 9

12. The Centers for Medicare and Medicaid Services, formerly known as the Health Care Financing Administration, adopted the Principles of Medical Ethics in 1980.

ANS: F DIF: Easy OBJ: 9

13. At certain times medical office staff members are allowed to make critical remarks about a physician to a patient.

ANS: F DIF: Moderate OBJ: 9

14. It is illegal to report incorrect information to government-funded programs such as Medicare, Medicaid, and TRICARE.

ANS: T DIF: Moderate OBJ: 9

15. Physicians are legally responsible for any actions of their employees performed within the context of their employment; therefore, an employee cannot be sued or brought to trial.

ANS: F DIF: Hard OBJ: 10

16. In some states, giving an insured client advice on purchase or discontinuance of insurance policies is construed as being an insurance agent.

ANS: T DIF: Hard OBJ: 11

17. The best way for an insurance specialist to keep up to date in the profession is to read health care industry association publications, attend seminars on billing and coding, and participate in e-mail listserv discussions.

ANS: T DIF: Easy OBJ: 12