

2023 BOG Prep Week 2 Quiz - Law and Governance

1. Email *

2. 1. Which of the following regulations exempted self-funded employer sponsored health insurance plans from state insurance regulation? 1 point

Mark only one oval.

- A. BBA
- B. TEFRA
- C. COBRA
- D. ERISA

3. 2. Which statement best describes the status of health organizations under antitrust law? 1 point

Mark only one oval.

- A. The medical staff appointments are exempt from antitrust litigation.
- B. They are subject to antitrust law relative to price fixing and boycotts.
- C. They are exempt from most antitrust principles because they are "charitable."
- D. They are subject to antitrust law, just as any other industry is.

4. 3. All of the following statements about documentation in the medical record are true except: 1 point

Mark only one oval.

- A. Verbal orders must be authorized by the practitioner within a time frame to be defined by the medical staff
- B. Verbal orders can only be accepted by registered nurses
- C. Authentication may be made by actual written signatures, initials, rubber stamp signatures, or computer "signatures"
- D. That entries must be authenticated by the actual author only.

5. 4. Which of the following is not an advantage of an effective Corporate Compliance Program for a healthcare organization? 1 point

Mark only one oval.

- A. Initiating immediate and appropriate corrective actions.
- B. Costs of implementation and operations.
- C. Developing processes to allow employees to report potential problems
- D. Identifying and preventing criminal and unethical conduct.

6. 5. In the past, hospitals have been less effective in lobbying than physicians because: 1 point

Mark only one oval.

- A. Legislators like physicians more
- B. Physicians have better lobbyists
- C. The law prevents hospitals from lobbying
- D. Hospitals don't vote

7. 6. In general, courts exhibit which attitude regarding controversies over medical staff privileges? 1 point

Mark only one oval.

- A. Human lives are at stake and the courts must intervene to protect physicians' rights to save those lives.
- B. If the decision were supported by reasonable evidence, courts will not substitute their judgment for that of the hospital board.
- C. Hospitals must not be permitted to interfere with the doctor-patient relationship.
- D. Courts may not entertain suits regarding medical staff privileges.

8. 7. Under federal law, whenever a patient comes to a hospital emergency department with an emergency condition: 1 point

Mark only one oval.

- A. With few exceptions, the patient's ability to pay may be considered in determining whether to provide treatment
- B. With few exceptions, the patient's condition must be stabilized before he/she is transferred or discharged
- C. A police officer may be asked to authorize treatment
- D. The hospital has no duty to treat the person if he/she is not a patient or a member of the medical staff

9. 8. In considering applications for medical staff privileges, hospitals receive reports from a U.S. Government clearinghouse on malpractice payments and adverse medical staff and licensure actions. In general, these reports have had which effect? 1 point

Mark only one oval.

- A. Reports have rarely led hospitals to make privileging decisions they would not have made otherwise
- B. Reports have been timely and helpful and have reduced the complexity of the privileging process
- C. Had they not received the reports, most hospitals' privileging decisions would usually have been different
- D. Hospitals usually receive significant information that neither the practitioner involved nor any other sources had provided.

10. 9. Which of the following statements best summarizes the prevailing legal standard used to judge the actions of members of a not-for-profit healthcare organization's governing board? 1 point

Mark only one oval.

- A. They must act in good faith, with reasonable care, and with the best interests of the corporation in mind.
- B. They must exercise the same high level of fiduciary duty as is applied to the trustees of a trust.
- C. They must avoid gross negligence and willful misconduct.
- D. They are immune from personal liability.

11. 10. Which of the following is the clear trend regarding a hospital's liability for the actions of members of its medical staff? 1 point

Mark only one oval.

- A. The hospital may be held liable for a physician's negligence even though the physician is an "independent contractor".
- B. Hospitals are not liable for such actions because they are simply physical sites where patients receive treatment from privately retained physicians.
- C. Courts are becoming more reluctant to impose liability on hospitals for the negligence of physicians who use their facilities.
- D. The hospital is liable only if the physician is an employee.

12. 11. A joint venture laboratory owned by a hospital and physicians on its medical staff would probably be in violation of fraud and abuse laws if it were to: 1 point

Mark only one oval.

- A. Market its services to both investors and non-investors
- B. Offer ownership shares at the same price to referrers and non-referrers
- C. Require investors to refer business to it
- D. Base its profit distributions on the amount of capital contributed, not on referrals.

13. 12. The most useful way for a healthcare organization to deal with outside regulatory and credentialing bodies is to: 1 point

Mark only one oval.

- A. Identify opportunities to influence political outcomes
- B. Regularly maintain both formal and informal relationships with these agencies
- C. Deal with these agencies only in written form so as to have a clear paper trail for subsequent review and analysis
- D. Provide only the minimum amount of information required to comply with the regulations of the agency

14. 13. The thrust of antitrust legislation as applied to the healthcare field is to: 1 point

Mark only one oval.

- A. Contain costs
- B. Contain rising costs of independent single unit hospital
- C. Monitor the scope of health services provided in a given year
- D. Protect the public's economic interest

15. 14. Which of the following courts is often given jurisdiction to hear cases involving such matters as surgery for an incompetent person or the involuntary commitment of a mentally ill person? 1 point

Mark only one oval.

- A. Family court.
- B. Juvenile court.
- C. Appellate court.
- D. Probate court.

16. 15. Congress enacted Stark II to prohibit which of the following? 1 point

Mark only one oval.

- A. A physician or an immediate family member from referring a patient to an entity with which they have a financial relationship.
- B. Hospitals and physicians from partnering to build in-patient acute care facilities.
- C. Hospitals and physicians from joint venturing in the offering of outpatient imaging centers.
- D. A hospital from referring a patient to a wholly-owned entity of which it has total ownership.

17. 16. The governing body of a healthcare institution meets its responsibility for the quality of patient care by: 1 point

Mark only one oval.

- A. Delegating accountability for patient care to the committee appointed by the governing body, which provides a formal administrative liaison between the governing body, the administration, and the medical/professional staff.
- B. Delegating to the chief executive officer the responsibility for developing criteria for making certain that an effective medical/professional audit is carried out.
- C. Establishing, maintaining, and supporting through medical/professional staff and management staff an ongoing program of review and evaluation of patient/client care and action on findings
- D. Establishing an effective system for utilization review, medical/professional audit activities, and credentialing of the medical/professional staff.

18. 17. Before submission of the annual business plan to the governing authority, the plan should be developed by: 1 point

Mark only one oval.

- A. Recommendations from the finance committee, on the basis of its estimate of income for the budget year.
- B. The heads of the profit centers, considering each center's anticipated revenues and expenses, with the CEO collating.
- C. Key executives, after receiving recommendations from the head of operating divisions
- D. The heads of the operating divisions, with the CEO collating.

19. 18. The governing authority assures itself about the quality of care by: 1 point

Mark only one oval.

- A. Holding the CEO of the health facility accountable.
- B. Making the president of the medical/professional staff an ex officio member of the governing authority
- C. Approving the process and then following up regularly and continuously to see that it is being used
- D. Reviewing tabulated results of incidence reports

20. 19. The establishment of an appropriate credentialing procedure for members of the medical/professional staff should ultimately be a decision of the: 1 point

Mark only one oval.

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

21. 20. CEO compensation should be based on: 1 point

Mark only one oval.

- A. The compensation arrangements with the prior CEO.
- B. Present salary plus cost-of-living adjustment.
- C. Executive compensation in local corporations with similar gross revenues.
- D. What the institution would have to pay for a similarly prepared person if that person were employed elsewhere.

22. 21. In a healthcare organization, who has ultimate fiduciary responsibility? 1 point

Mark only one oval.

- A. Chief Financial officer.
- B. Board of Trustees
- C. Chief Executive Officer
- D. Finance Committee of the Board

23. 22. Mission statements: 1 point

Mark only one oval.

- A. Are frequently changed in response to environmental issues and marketing trends.
- B. Never Change.
- C. Do not require formal board action when revised.
- D. Identify in broad terms the purposes for which an organization exists.

24. 23. The chief executive officer: 1 point

Mark only one oval.

- A. Is a member of the board.
- B. Is not a member of the board.
- C. Represents the board internally and externally.
- D. Has a contract with the board.

25. 24. Regarding the budget, the board: 1 point

Mark only one oval.

- A. Does not use the budget exercise as a way to improve quality and productivity.
- B. Gets involved in preparing budgets for all operational units.
- C. Decides which personnel are needed in top management.
- D. Establishes guidelines and makes final choices among competing opportunities.

26. 25. The individual or group responsible for establishing policy, maintaining quality of care, and providing for institutional management planning is the: 1 point

Mark only one oval.

- A. Chief Medical Officer
- B. Chief Nursing Officer
- C. Hospital Authority
- D. Chief executive officer

27. 26. A correct statement regarding trustees serving as fiduciaries is that they can: 1 point

Mark only one oval.

- A. Be indicted for alleged theft of facility funds and the improper expenditure of facility funds for personal reasons.
- B. Be released from responsibility by giving the audit committee final authority in high-risk areas of financial matters, without any action by the whole board.
- C. Be held personally liable for wrongful acts or omissions by corporate officers or co-trustees by virtue of their position as trustees.
- D. Waive their fiduciary responsibility as a community organization.

28. 27. A key reason for choosing board members is because: 1 point

Mark only one oval.

- A. They have high status in the community.
- B. Of what they can do for the organization.
- C. Other board members want to listen to their opinions.
- D. Physicians will listen to them.

29. 28. The administrator's relationship with the board of directors should be one in which the administrator: 1 point

Mark only one oval.

- A. Minimizes board involvement in any operational issues.
- B. Serves as the functionary for implementing all board of directors' decisions.
- C. Draws upon skills of board members in facilitating appropriate discussion and decision making.
- D. Identifies those topics with which the board should involve itself.

30. 29. Which of the following bodies has the final accountability for the formulation of policies and procedures concerning professional responsibilities within the healthcare organization? 1 point

Mark only one oval.

- A. Chief executive and senior management.
- B. Medical executive committee.
- C. Governing authority.
- D. Quality assurance committee.

31. 30. Which of the following is a key responsibility of a governing board? 1 point

Mark only one oval.

- A. Recruit and select the CEO.
- B. Operationalize the organization's strategic plan.
- C. Assist the CEO with evaluation of the rest of the management team.
- D. Develop a physician recruitment plan.

32. 31. The main role of the board is: 1 point

Mark only one oval.

- A. Selecting the CEO
- B. Overseeing operations
- C. Setting institutional policy
- D. Running the institution in the absence of the CEO

33. 32. Governing boards are typically more effective at what size? 1 point

Mark only one oval.

- A. 10 to 15 members.
- B. 15 to 25 members.
- C. 5 to 10 members.
- D. More than 25 members.

This content is neither created nor endorsed by Google.

Google Forms

