

GAHE BOG Prep 2023

Week 2 Quiz & Answer

Key Laws & Regulations

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1. Which of the following regulations exempted self-funded employer sponsored health insurance plans from state insurance regulation?
 - A. BBA
 - B. TEFRA
 - C. COBRA
 - D. ERISA

- Correct answer is D

- **Know the acronyms**

2. Which statement best describes the status of health organizations under antitrust law?
 - 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.

- Correct answer is D

3. All of the following statements about documentation in the medical record are true *except*:
- 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.

- Correct answer is B

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

- Correct answer is B

5. In the past, hospitals have been less effective in lobbying than physicians because:
 - A. Legislators like physicians more
 - B. Physicians have better lobbyists
 - C. The law prevents hospitals from lobbying
 - D. Hospitals don't vote

- Correct answer is D

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

- 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.

- Correct answer is B

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

- 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

- Correct answer is B

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?

- 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.

- Correct answer is A

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?

- 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.

- Correct answer is A

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

- 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.

- Correct answer is A

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:

- 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.

- Correct answer is C

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

- 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

- Correct answer is B

13. The thrust of antitrust legislation as applied to the healthcare field is to:
- 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

- Correct answer is D

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?

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

- Correct answer is D

15. Congress enacted Stark II to prohibit which of the following?
- 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.

- Correct answer is A