

***Operations Management in Healthcare Strategy and
Practice 1st edition Karuppan Test Bank***

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OPERATIONS MANAGEMENT IN HEALTHCARE: STRATEGY AND PRACTICE

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CHAPTER 1

TRUE/FALSE

1.1 A health maintenance organization (HMO) is considered to be the first example of health insurance.

Answer: False

1.2 Estimates of high cost of healthcare expenditures due to waste include administrative complexity and poor care coordination.

Answer: True

1.3 A 2000 report by the World Health Organization ranked the U.S. healthcare system in the upper 10% of national healthcare systems.

Answer: False

1.4 Operations management has always played a major role in the healthcare industry.

Answer: False

1.5 Although baby boomers are a part of the aging population, age alone cannot explain the high cost of American eldercare. The U.S. population is relatively young compared to other industrialized countries listed in the text.

Answer: True

1.6 Leading medical societies participated in the Choosing Wisely Initiative and released lists of sometimes unnecessary tests and procedures in an attempt to lower the estimated 20% waste in the total health expenditures from inefficiencies.

Answer: True

1.7 In 2006–2007, the United States had the highest mortality rate amenable to healthcare among 16 high-income nations.

Answer: True

1.8 Some disparities in U.S. healthcare are tied to patients' ethnicity.

Answer: True

1.9 Lack of mental health services has resulted in prisons sometimes being used as the largest mental healthcare facilities in their states.

Answer: True

MULTIPLE CHOICE

1.10 On-site inspections of hospitals were started by the

- a. American Medical Association
- b. American College of Surgeons
- c. Council on Medical Education
- d. American Hospital Association
- e. American College of Physicians

Answer: *b*

1.11 A national healthcare insurance program was initially proposed

- a. in the National Health Act
- b. when soldiers were returning after World War II
- c. as a part of the original Social Security Act
- d. as a part of Medicare and Medicaid
- e. as the Affordable Care Act

Answer: *c*

1.12 The purpose of the Joint Commission on Accreditation of Hospitals (JCAH) was to provide

- a. mandatory accreditation
- b. partial accreditation
- c. voluntary accreditation
- d. accreditation legislation
- e. accreditation enforcement

Answer: *c*

1.13 What was not a problem facing hospitals in the 1960s?

- a. Declining numbers of physician specialists
- b. Inefficiency in hospital administration
- c. Increasing numbers of unnecessary tests
- d. Disparity in national healthcare quality
- e. Inefficiency in hospital facility utilization

Answer: *a*

1.14 The Consolidated Omnibus Budget Reconciliation Act (COBRA) went into effect in the

- a. 1950s
- b. 1960s
- c. 1970s
- d. 1980s
- e. 1990s

Answer: *d*

1.15 COBRA allows employees to keep their group health plan for up to

- a. 3 months
- b. 6 months
- c. 9 months
- d. 1 year
- e. 18 months

Answer: *e*

- 1.16 For some procedures, health maintenance organizations (HMOs)
- a. incentivized providers to care for patients in the most cost-effective ways
 - b. directed patients away from hospitals
 - c. directed patients away from ambulatory care services
 - d. a and b are correct, but not c
 - e. a and c are correct, but not b

Answer: *d*

- 1.17 Compulsory screening and stabilization of all emergency room patients was a part of expanding healthcare protection in the
- a. 1960s
 - b. 1970s
 - c. 1980s
 - d. 1990s
 - e. 2000s

Answer: *c*

- 1.18 The Affordable Care Act (ACA) does NOT
- a. require all citizens to be covered by government health insurance programs
 - b. obligate insurance companies to cover all applicants, regardless of preexisting conditions
 - c. provide assistance for the purchase of health insurance through tax subsidies
 - d. make changes, which have resulted in a historic low rate of uninsured U.S. adults
 - e. differentiate between those eligible and not eligible for assistance

Answer: *a*

- 1.19 The Affordable Care Act (ACA) does NOT include
- a. free prevention services
 - b. better coordination of patient care through transition programs for seniors
 - c. quality reporting
 - d. discontinuation of bundled payments
 - e. payments based on value and not on volume

Answer: *d*

- 1.20 Decisions directly related to the production of goods or provision of services are made by
- a. the VP of Operations
 - b. operations management (OM) professionals at lower levels
 - c. facility management professionals, not OM professionals
 - d. engineering design professionals, not OM professionals
 - e. purchasing professionals, not OM professionals

Answer: *b*

- 1.21 An operations manager is NOT likely to be involved in
- a. long-term direction for patient services
 - b. the design of products for patient care
 - c. monitoring performance and outcomes
 - d. consideration of internal constraints on decisions
 - e. considering repercussions of one change on another

Answer: *b*

- 1.22 Healthcare OM is concerned with
- a. conversion of assets into healthcare delivery
 - b. healthcare systems
 - c. healthcare sales
 - d. a and b but not c
 - e. a and c but not b.

Answer: *d*

- 1.23 Which answer(s) was (were) provided in the text as a reason(s) 18- to 64-year-olds gave for visiting an emergency room for healthcare?
- a. The emergency room was the closest provider
 - b. The doctor's office was not open
 - c. There was no other place to go where they lived
 - d. They thought only a hospital could help them
 - e. All of the above were mentioned as reasons for visiting the emergency room

Answer: *b*

- 1.24 Which is NOT a main factor in high healthcare costs today?
- a. Inefficiencies and waste
 - b. Expensive healthcare technology and drug cost
 - c. New hospital construction cost
 - d. Trauma and injuries in young people
 - e. Aging of overweight Americans

Answer: *c*

- 1.25 Unnecessary expenditures related to patient transfers were addressed by the ACA. They include
- a. failure to send inpatient discharge records to outpatient physicians
 - b. different physicians with different standards
 - c. complex payment policies, which make team coordination difficult
 - d. a and b are correct, but not c
 - e. a and c are correct, but not b

Answer: *e*

- 1.26 Administrative complexity of the U.S. healthcare system has some of its basis in
- a. multiple payers including insurance products with different coverage structures and different payment methods
 - b. federal and state regulations
 - c. the difference in rural and urban healthcare delivery
 - d. a and b but not c
 - e. a and c but not b

Answer: *d*

- 1.27 Errors and duplication of work are caused by all of the following except
- a. multiple standards for coding
 - b. variation in prescribing medication in different localities
 - c. excessive use of electronic medical records (EMRs)
 - d. numerous quality metrics
 - e. diverse credential requirements

Answer: *c*

1.28 Fraud involves

- a. obtaining something of value without being entitled to it
- b. treachery
- c. deceit and misrepresentation
- d. a and b but not c
- e. a and c but not b

Answer: *e*

1.29 Abuse in the healthcare system costs untold amounts of money. Operations management

- a. does not have any control over abuse
- b. can be instrumental in abuse control
- c. has little control over abuse
- d. can control some abuse unless the accounting office is in charge
- e. does not come into contact with abuse

Answer: *b*

1.30 Quality indicators in healthcare include

- a. effectiveness
- b. safety
- c. patient centeredness
- d. coordination
- e. all of the above

Answer: *e*

1.31 Reasons for disparities in effectiveness of U.S. healthcare include all of the following except:

- a. limited English proficiency
- b. lack of access to healthcare providers
- c. lack of belief in modern healthcare solutions
- d. insurance coverage
- e. sexual orientation

Answer: *c*

1.32 With the emphasis on public reporting, the United States has made progress in

- a. control of blood pressure
- b. use of evidence-based treatments for heart conditions
- c. prevention of surgical infections
- d. evidence-based treatment for pneumonia
- e. all of the above

Answer: *e*

1.33 Disparities in healthcare effectiveness for minorities have multifaceted reasons, including

- a. prevalence of chronic conditions
- b. lack of access to care
- c. lack of access to minority providers
- d. all of the above
- e. b and c only

Answer: *d*

- 1.34 The ACA attempted to improve the effectiveness of U.S. healthcare by requiring insurance plans to include (without copayments or meeting deductibles)
- a. adult preventative services
 - b. additional women's preventative services
 - c. children's preventative services
 - d. a and c, but not b
 - e. a, b, and c

Answer: *e*

- 1.35 In 2008, too few Americans received
- a. proper immunizations
 - b. cancer screenings
 - c. blood pressure tests
 - d. all of the above
 - e. none of the above

Answer: *d*

- 1.36 According to the text, the ACA has resulted in access to _____ which would have otherwise been denied.
- a. hospitals
 - b. mental health services
 - c. physicians
 - d. workout facilities
 - e. healthcare education

Answer: *b*

- 1.37 Causes of disparities in healthcare services
- a. include income, age, location, disability status
 - b. include gender, sexual orientation
 - c. include genetic background, early childhood screening
 - d. a and b are correct, but not c
 - e. a and c are correct, but not b

Answer: *d*

- 1.38 Provisions of the ACA that address disparities in healthcare because of diversity do NOT include
- a. encouraging nonminority providers to practice in locations of high minority populations
 - b. expanding vulnerable populations' access to care
 - c. promoting cultural competence in healthcare settings
 - d. supporting diversity research

Answer: *a*

- 1.39 The most common preventable errors in healthcare do NOT include
- a. pressure ulcers
 - b. deep vein thrombosis
 - c. postoperative infections
 - d. a and b are correct, but not c
 - e. a and c are correct, but not b

Answer: *e*

- 1.40 Since the publication of the Institute of Medicine (IOM) report *To Err is Human*,
- a. patient safety has been a priority in healthcare
 - b. the incidence of medical errors has decreased significantly
 - c. deaths associated with preventable harm are rare
 - d. a and b are correct but not c
 - e. a and c are correct but not b

Answer: a

- 1.41 Of all the adverse medical events, almost _____ are preventable.
- a. one quarter
 - b. one third
 - c. one half
 - d. two thirds
 - e. three quarters

Answer: c

- 1.42 Common adverse events impacting patient safety include prescription of a contraindicated drugs and unwarranted use of antibiotics.
- a. However, these adverse events are not included in the annual number of deaths associated with preventable harm.
 - b. These adverse events are a part of the annual number of deaths associated with preventable harm.
 - c. These adverse events are unlikely to occur in a hospital.
 - d. These adverse events are the primary focus of patient safety efforts.
 - e. These adverse events are the most expensive to treat.

Answer: b

- 1.43 An estimate in 2013 placed the annual number of deaths associated with preventable harm in hospitals between
- a. 100,000 and 180,000
 - b. 110,000 and 210,000
 - c. 210,000 and 400,000
 - d. 320,000 and 420,000
 - e. 400,000 and 500,000

Answer: c

- 1.44 Safety has been a priority in healthcare since the IOM report, published in
- a. 1989
 - b. 1999
 - c. 2005
 - d. 2009
 - e. 2012

Answer: b

1.45 Poor care coordination results in all of the following except

- a. costly inefficiencies
- b. fragmented care delivery system
- c. poor quality control
- d. too much focus on primary care
- e. lack of communication between providers

Answer: *d*

1.46 Efficient coordinated care systems include all of the following except

- a. pay structures aligned with coordinated care
- b. better monitoring of prescription drugs to avoid overdoses and interactions
- c. increased length of stay and time for care in the hospital
- d. strong primary care
- e. a preestablished service plan

Answer: *c*

1.47 _____ encompasses qualities that respond to the expressed preferences of the individual patient.

- a. Patient centeredness
- b. Coordinated care
- c. Primary care
- d. The ACA
- e. Timeliness of care

Answer: *a*

1.48 According to a 2011 Commonwealth Fund's report, U.S. providers' performance on listening to patients, communicating with them, and respecting their opinions was ____ lower than the benchmark.

- a. 10%
- b. 15%
- c. 20%
- d. 25%
- e. 50%

Answer: *d*

1.49 Patient-centered communication can be difficult because of

- a. differences in language
- b. differences in culture
- c. levels of patients' health literacy
- d. a and b are correct, but not c
- e. a, b, and c are correct

Answer: *e*

1.50 A major component (perhaps the most critical component) of patient-centered care is

- a. appreciating patient culture
- b. communication
- c. timeliness
- d. efficiency in addressing the diagnosis
- e. economical payment rates

Answer: *b*

1.51 The ACA established the Patient Centered Outcomes Research Institute (PCORI) to

- a. sponsor clinical effectiveness research with a patient-centered perspective
- b. study treatments and outcome preferences
- c. investigate new techniques of communication
- d. a and b are correct, but not c
- e. a and c are correct, but not b

Answer: *d*.

1.52 According to an international survey of patients and primary care physicians, the United States ranks _____ overall in timeliness of care.

- a. second
- b. third
- c. fourth
- d. fifth
- e. sixth

Answer: *d*

1.53 Timely access to care may determine health outcomes, including those for

- a. stroke and heart attacks
- b. trauma, severe infections
- c. outpatient care
- d. a and b are correct, but not c
- e. a, b, and c are all correct

Answer: *e*

1.54 In rural areas, there are less than _____ of the number of healthcare providers per 100,000 people in urban areas.

- a. 50%
- b. 40%
- c. 30%
- d. 25%
- e. 20%

Answer: *a*

1.55 A report from the Centers for Disease Control and Prevention (CDC) indicated that _____ of adults aged 18 to 64 had visited emergency rooms because of lack of access to other providers.

- a. 37%
- b. 58%
- c. 67%
- d. 79%
- e. 81%

Answer: *d*

1.56 Which of the following is NOT a competitive priority of an operations strategy?

- a. quality
- b. cost
- c. patient-centered care
- d. timely delivery
- e. flexibility

Answer: c

1.57 Operations can be made more efficient by

- a. reducing waste
- b. reducing delays
- c. increasing customer satisfaction
- d. a and b are correct, but not c
- e. a, b and c are all correct

Answer: e

1.58 The basic functions of an operations manager include all of the following, except

- a. staffing
- b. product costing
- c. controlling
- d. leading
- e. planning

Answer: b

1.59 Getting timely care can be hindered by accessibility, not only in terms of geographical proximity, but in terms of

- a. long waiting times in the office
- b. transportation to the physician's office
- c. difficulty taking off work
- d. a and b are correct, but not c
- e. a, b, and c are all correct.

Answer: e

SHORT ANSWER

1.60 List the five primary dimensions of timely access.

Answer: availability, affordability, accommodation, accessibility, and acceptability

1.61 Care coordination is not a measure of quality per se, but _____.

Answer: it is a determination of quality

1.62 Healthcare reform in the United States has been driven primarily by _____.

Answer: quality, costs, and access concerns

1.63 What should be set as an initial priority in designing an operations system for a healthcare system?

Answer: quality

1.64 List seven questions that are central to OM decisions directly related to the production of goods or the provision of services.

Answer:

1. What needs to be done?
2. Why does it need to be done?
3. Who needs to do it?
4. When does it need to be done?
5. Where should it be done?
6. How should it be done?
7. How much does it cost?