Chapter 3: The United States Health Care System
Test Bank

MULTIPLE CHOICE

1. What is the main difference in the health care system in the United States between President Clinton's vision in 1994 and today's reality?
   a. Funding is totally centralized or decentralized.
   b. Oversight is a public or private responsibility.
   c. Health care team leadership is shared.
   d. Pharmaceuticals are purchased through a payer system.

   ANS: B
   President Clinton's vision had oversight as a public sector function, but today it is a private sector corporate responsibility.

   DIF: Cognitive Level: Knowledge REF: p. 55

2. A community/public health nurse is describing the American health care system to a group of immigrants. How would the nurse best describe this system?
   a. As a static, complex entity that the nurse must seek to understand
   b. As clearly the best in the world and envied by other countries
   c. As extremely effective, especially in high-technology care
   d. As being in the midst of ongoing change that offers real opportunities

   ANS: D
   Although many persons believe the system is unchanging, it is more helpful to see the current debate as offering possibilities for improvement. Change always represents opportunity.

   DIF: Cognitive Level: Application REF: p. 55

3. A community/public health nursing faculty member discusses with students the significant changes in the U.S. health care system. Why is this information important to discuss with this population?
   a. Helps orient students to their options for health insurance
   b. Helps students understand health behaviors
   c. Helps students determine where they wish to seek employment
   d. Helps meet accreditation requirements for the curriculum

   ANS: B
   The main reason why this information is important is that health care professionals bear a responsibility to know and understand the system in which they function because it has considerable impact on both their behavior and the health behavior of the people they serve. This information may also be helpful as they seek health insurance in the future and determine benefits associated future employment. However, that is not the main purpose of inclusion of this information. This information is not required to meet accreditation requirements in a curriculum.

   DIF: Cognitive Level: Application REF: p. 56

4. A public health nurse is examining the effectiveness of a health care system. Which of the following data would be the most appropriate for the nurse to use?
   a. The number of resources expended by the system
   b. The health of the population served
   c. The number of noncitizens who seek health care in the system
   d. The typical cost of routine primary care

   ANS: B
   The best measurement of effectiveness is the outcome, that is, the health of the population.

   DIF: Cognitive Level: Application REF: p. 56

5. Which of the following best describes the U.S. health care system?
   a. It is a mixture of social welfare and comprehensive care.
   b. It is decentralized and expensive.
   c. It is highly centralized and autocratic.
   d. It assures basic minimal care to everyone.

   ANS: B
   Three prominent features of the U.S. health care system are decentralized governance, strong emphasis on laissez-faire philosophy, and an abundance of economic resources.

   DIF: Cognitive Level: Comprehension REF: p. 56

6. What are the two systems of health care that exist in the United States?
   a. Federal system for military personnel and community system for others
   b. Home-based care for wealthy and nursing home care for poor
   c. Hospitals for acute care and outpatient clinics for chronic care
   d. Private system for those who can pay and public system for some of the poor

   ANS: D
   The United States has a private system for those with insurance or ability to pay out-of-pocket and a public subsystem for poor and special populations.

   DIF: Cognitive Level: Comprehension REF: p. 56

7. In comparison with other similar industrialized countries, the U.S. health care system results in
   a. Outcomes very similar to outcomes in other industrialized countries.
   b. Superb outcomes, perhaps because of the advanced research and technology.
   c. The highest life expectancy and lowest infant mortality.
   d. The lowest life expectancy and highest infant mortality.

   ANS: D
   In comparison with eight similar industrialized countries, the United States is lowest in life expectancy and highest in infant mortality. The United States is 19th of 19 industrialized nations in life expectancy and infant mortality.

   DIF: Cognitive Level: Knowledge REF: p. 57

8. A community health nurse is caring for a client who is not a veteran and has no funds for health care. Where would this client go to receive care?

a. Local hospital
b. Privately owned, for-profit hospital
c. Proprietary hospital
d. Publicly owned hospital

ANS: D
While all hospitals may give some charity care, public hospitals are the primary care site for those with no external funding.

DIF: Cognitive Level: Application REF: p. 62

9. The federal government obtains its authority to be involved in health care from the
a. Legislation that was passed giving the federal government that privilege.
b. Regulation of interstate commerce and its responsibility to provide for the general welfare.
c. Constitution, specifically allocating authority for health care to the federal government.
d. States requesting the federal government, because of its taxing ability, to accept that responsibility.

ANS: B
The responsibility for health rests, like all powers not directly given to the federal level, with the state government. Although not explicitly stated, the federal authority is presumed from the overall charge to provide for the general welfare and its role in regulation of interstate commerce.

DIF: Cognitive Level: Knowledge REF: pp. 59-60

10. Which federal agency is most involved in both direct and indirect health-related responsibilities?
a. U.S. Department of Health and Human Services
b. National Health Care Service Agency
c. Public Health Service
d. Veterans Administration Medical Services Branch

ANS: A
The USDHHS has the most health-related responsibilities, with more than 69,839 employees and a budget of 854.1 billion dollars. It gives some direct services but primarily provides indirect care.

DIF: Cognitive Level: Knowledge REF: p. 63

11. From where does the state obtain its authority to be involved in health care?
a. Delegation from the federal level to the states
b. Local governments requesting the state government accept that responsibility
c. The Constitution, which reserved for states all powers not specifically given to the federal government
d. The demand from citizens that a more regionalized authority be responsible

ANS: C
States derive their authority from the Constitution, which reserves for states all powers not specifically given to the federal government.

DIF: Cognitive Level: Knowledge REF: p. 64

12. A community/public health nurse is speaking with a group of elderly citizens about how the state health agency operates as part of the state government. Which of the following information would likely be included?
    a. Every state health agency has a similar organizational structure and offers similar services to its citizens.
    b. Each state health agency has many different departments, commissions, agencies, and boards.
    c. Each state health agency depends primarily on federal funding and guidance in meeting health concerns.
    d. Every state health agency delegates authority or funds to local boards of health.

    ANS: B
    Because state governments have diverse organizational structures, there is no consistency in which health care services are organized or supplied by states. There are approximately 36 state agencies outside the state health agency with health-related responsibilities. Responsibilities are divided over an extensive number of departments, commissions, agencies, and boards.

    DIF: Cognitive Level: Application REF: p. 67

13. A community member asks a community/public health nurse, "How much progress has been made toward consolidating state health services into a single agency?" Which of the following statements would be accurate for the nurse to make?
    a. "Incredible progress; about half the states have done so."
    b. "Little progress; no state has completely done so."
    c. "Some progress; about one third of the states have done so."
    d. "Successful progress; most states have done so."

    ANS: B
    There has been little progress in 50 years, and no substantial consolidation is foreseen. The states' health care responsibilities are still divided over an extensive and bewildering number of departments, commissions, agencies, and boards. It is hoped that consolidation would streamline bureaucracy, reduce duplication of efforts, and potentially cut costs.

    DIF: Cognitive Level: Application REF: p. 67

14. A recently hired community/public health nurse is learning about the responsibilities of the local health department during orientation. Which of the following responsibilities would be discussed?
    a. Meeting the demands of the local citizens
    b. Implementing programs as directed by the state health commissioner
    c. Addressing needs that have been delegated by state health agencies
    d. Assuring that services are provided to meet the needs of vulnerable populations

    ANS: C

Local governments get their authority from the state, including authority to provide direct care to specific groups, especially those who benefit from federal grant funding under specific programs. State legislatures determine the responsibilities of local units, including the definition of the unit's role in health care.

DIF: Cognitive Level: Application REF: p. 68

15. Which of the following is considered to be a responsibility of an insurance company?
    a. Establishing guidelines for employees in hospitals
    b. Establishing the rules of medical practice
    c. Managing third-party reimbursement
    d. Purchasing and managing hospitals and extended care facilities

    ANS: C
    Insurance was created to manage third-party reimbursement, namely, to collect fees from employers or private parties and pay the health care providers for services rendered. Insurance, through employer, government programs, or self-purchased, covers 83.7 % of the U.S. population.

    DIF: Cognitive Level: Knowledge REF: p. 68

16. A community/public health nurse is caring for a client who has a health insurance plan which offers a looser organizational structure and has no requirement for primary care physician approval before seeing a specialist. Which type of health insurance does this client most likely have?
    a. Health care network
    b. Health maintenance organization
    c. Point of service plan
    d. Preferred provider organization

    ANS: D
    PPOs have a looser organization structure. Clients may see a non-PPO provider, although they may pay more out-of-pocket costs to do so. With HMOs, POS, and health care networks, consumers are expected to receive care from the providers within the plan. With POS plans, the primary physician must approve the request before a specialist can be seen, even one within the network.

    DIF: Cognitive Level: Application REF: p. 69

17. A client has been informed that his health care plan will be changing to a managed care model. How would the nurse best explain the goal of this model?
    a. Managed care decreases consumer use of outpatient health care.
    b. Managed care ensures maximum value received from resources used.
    c. Managed care decreases patient satisfaction.
    d. Managed care ensures provider satisfaction.

    ANS: B
    Managed care tries to lower cost and maximize value from resources used to produce and deliver health care through improving efficiency of delivered services and influencing the behavior of providers and consumers through financial rewards and penalties.

DIF: Cognitive Level: Application REF: p. 69

18. A client has recently changed health insurance plans and is now part of a health maintenance organization (HMO). How might the nurse best explain how HMOs operate?
    a. HMOs provide creative ways to ensure hospitals can decrease their daily census.
    b. HMOs employ a group of nurses who focus on health education programs.
    c. HMOs encourage physicians to focus on health promotion and self-care.
    d. HMOs organize a network of providers who offer services for a predetermined fee.

    ANS: D
    By definition, a health maintenance organization is a group of providers who contract to give care to members for a set fee for each person receiving care.

    DIF: Cognitive Level: Application REF: p. 69

19. A client has a point-of-service health care plan. Why would the community/public health nurse need to consult this client's physician?
    a. The physician is the budget officer, who makes decisions about the cost of care.
    b. The physician is a collaborator, who is the leader of the health care team.
    c. The physician is the expert medical diagnostician, who decides on interventions.
    d. The physician is the primary care gatekeeper, who determines appropriate referrals.

    ANS: D
    POS plans require the primary care physician to serve as gatekeeper, and unless the physician approves, any referral will have additional cost to the patient.

    DIF: Cognitive Level: Application REF: p. 69

20. A nurse is employed by the American Heart Association. What feature of this type of organization is unique?
    a. Assisting with access to health care services
    b. Promoting the use of inexpensive health care providers
    c. Using creative approaches to solve health problems
    d. Providing professional education to health care providers

    ANS: C
    The American Heart Association is considered a health-related voluntary agency. According to Gunn and Platt, creativity is a basic function of voluntary agencies, especially because such agencies have more operational freedom than public agencies.

    DIF: Cognitive Level: Analysis REF: p. 69

21. How do nurses differ from most other professional health care providers?
    a. Nurses are committed to caring for others.
    b. Nurses are heavily involved in ongoing research programs.
    c. Nurses are primarily employees of an organization.
    d. Nurses do not expect a fair salary because nurses are primarily women.

    ANS: C

Physicians are independent providers of care, and most other health professionals set up their practice using a similar approach. Nurses are employed by the other health professionals, primarily physicians and hospitals, and do not engage in independent practice.

DIF: Cognitive Level: Comprehension REF: p. 70

22. What was the primary reason public health lost power and influence in the 1960s?
    a. Continued to emphasize prevention rather than hospital care
    b. Forgot voters would rather pay for care from a private physician
    c. Had significantly reduced many life-threatening health problems
    d. Lobbyists were unable to influence legislators

    ANS: C
    By 1960, public health efforts had significantly reduced the dangers of many life-threatening health problems through sanitation, food inspection, and environmental controls as well as immunizations. Lower mortality rates were accepted as the norm. Therefore funding and public interest ebbed for primary prevention activities.

    DIF: Cognitive Level: Knowledge REF: p. 71

23. Before 1965 most consumers and health care providers were not concerned about health care costs because
    a. Insurance companies were not worried about making a profit.
    b. Many employees had such low co-pays and deductibles.
    c. Expenses were paid by insurance reimbursement for employees who received insurance as a fringe benefit.
    d. Physicians were receiving adequate reimbursements in a timely manner when they submitted claims correctly.

    ANS: C
    Insurance insulated patients from the true cost, and care providers were receiving their usual reimbursements.

    DIF: Cognitive Level: Knowledge REF: p. 71

24. What was the most costly category of health care in the 1960s, which drastically increased after Medicare and Medicaid began?
    a. Drugs and medical supplies
    b. Hospital care
    c. Physician services
    d. Public health

    ANS: B
    The poverty-stricken and elderly were finally able to pay for care. Originally Medicare and Medicaid paid the usual and customary charges by health care providers. Hospitals were the area in which increasing costs were especially dramatic and consequently became the site of greatest effort at cost containment.

    DIF: Cognitive Level: Knowledge REF: p. 71

25. A community/public health nurse working in the 1990s wanted to improve the health of the community. According to economists, sociologists, and political activists, what was the best method to improve poor health?
    a. Decrease poverty levels.
    b. Increase funding to health care on the state level.
    c. Increase the number of outpatient clinics for site-focused care.
    d. Decrease the number of specialty physicians.

    ANS: A
    Research has demonstrated a direct correlation between improved economic status and improved health.

    DIF: Cognitive Level: Application REF: p. 71

26. A community/public health nurse educated a community group about the development of the national goals. Which of the following information would the nurse have included in this presentation?
    a. Action plans are focused on changing lifestyles to reduce risks and prevent problems.
    b. The goals emphasize improvement of health education in elementary and high schools.
    c. The goals emphasize increasing the number of students in the health care professions.
    d. Action plans are focused on aligning salaries for professionals among the health care disciplines.

    ANS: A
    National goals were developed that were intended to improve the health status of the population. Most actions suggested were preventative and aimed at helping persons in specific age groups, such as immunizations against childhood diseases.

    DIF: Cognitive Level: Application REF: p. 72

27. What was one consequence of the Omnibus Budget Reconciliation Act of 1981?
    a. There was a demand for local governments to give more free care.
    b. There was a rise in the number of uninsured Americans.
    c. An incredible increase in taxes occurred on different products and services.
    d. Emergency department services expanded as people postponed seeing physicians.

    ANS: B
    With state criteria for eligibility being more stringent, and with the rising cost of private health insurance, the outcome of OBRA was more uninsured citizens, primarily the poor and members of minority groups.

    DIF: Cognitive Level: Knowledge REF: p. 72

28. A conflict exists between an insurance company and a physician. Which of the following is most likely the root cause of this conflict?
    a. Contribution of the client
    b. Distribution of power
    c. Compensation of the provider

d. Regulation of finances

ANS: B
Cost increases, growing consumer awareness, and competing philosophies about the nature of health care delivery have produced some changes that have created conflict among various participants as they struggle to gain or maintain power. Essentially, disagreements concern gaining or maintaining power, respect, and autonomy in practice.

DIF: Cognitive Level: Application REF: p. 72

29. A nurse is providing care for a client in a hospital. In which of the following situations would the hospital no longer receive Medicare reimbursement?
    a. Consulting with a physician if an advanced practice nurse is available
    b. Providing inpatient care if procedures could be done on an outpatient basis
    c. Prescribing trade name drugs when generic alternatives are available
    d. Treating a urinary tract infection that occurred during hospitalization

    ANS: D
    As part of the new effort to "Pay for Performance," the CMS announced that Medicare will no longer pay hospitals for preventable medical complications such as hospital- acquired infections, injuries from falls, air embolisms, etc.

    DIF: Cognitive Level: Analysis REF: pp. 72-73

30. A nurse has referred a client to the managed care service provided by the hospital. What is the purpose of this referral?
    a. To confirm that care options chosen are the least expensive possible
    b. To coordinate the care provided by professional specialists
    c. To keep the focus on the individual patient's unique needs
    d. To review care to eliminate unnecessary services

    ANS: D
    The intent of coordinated care is to review care to reduce costs and eliminate the use of unnecessary services. Techniques include prior approval for admission, second opinions for costly treatment options, control on the use of specialists, and case management of care provided to high-cost patients.

    DIF: Cognitive Level: Application REF: p. 30

31. A community/public health nurse discusses the current health care system with a class of finance students. A student asks why the U.S. government has not moved to a single-payer system. Which of the following statements would be an appropriate response by the nurse?
    a. "Drug companies report that they would go bankrupt if such a plan were implemented."
    b. "It has been demonstrated that administrative costs would greatly increase."
    c. "It would be difficult to implement and more expensive than our current approach."
    d. "The political influence held by those with a strong interest in maintaining the current system has prevented this change."

    ANS: D

Vested interest groups, especially the drug and insurance companies, the AMA, and the hospital industry, in the for-profit system would fight bitterly to avoid change in order to protect their profit for their stockholders.

DIF: Cognitive Level: Application REF: pp. 73-74

MULTIPLE RESPONSE

1. Which of the following is a reason the current nurse shortage is considered very serious? (*Select all that apply*.)
   a. Current RNs are aging.
   b. Enrollment in nursing programs is not increasing.
   c. Additional nurses are pursuing graduate education.
   d. An increasing number of nurses are specializing.
   e. There has not been an increase in salaries.
   f. Many nurses are entering the military causing a shortage in civilian hospitals.

   ANS: A, B
   The current shortfall may be protracted and difficult to remedy. Past shortages have been alleviated by an increase in salaries and increased enrollment. Today, enrollment in nursing programs is not expanding to meet the need. The current RN workforce is aging, with an average age of 46 years. These two factors (lack of expansion of enrollment and an aging workforce) may increase the length and severity of the current shortage period. While nurses are obtaining graduate degrees, many are continuing employment while going to school. Specialization does not remove a nurse from the workforce.

   DIF: Cognitive Level: Comprehension REF: p. 77

2. Why were health system agencies (HSAs) discontinued? (*Select all that apply*.)
   a. Consumers were not interested and would not become involved.
   b. People were afraid of federal control.
   c. The states refused to continue to fund such efforts.
   d. Nurses did not receive appropriate salary raises under HSAs.
   e. President Reagan was philosophically opposed to limits on the free market.
   f. Vested interest groups (AHA, AMA) opposed HSAs.

   ANS: E, F
   Opposition to health planning boards was strong by vested interest groups such as the American Hospital Association and the American Medical Association. With the advent of the Reagan administration, government support eroded, since the President was philosophically opposed to limits being set on the free market delivery system. Funding for HSAs was eliminated in the 1982 budget.

   DIF: Cognitive Level: Knowledge REF: p. 77

3. A nurse is discussing with a colleague the current nursing issues occurring at the hospital where he is employed. Which of the following topics are most likely to be reported? (*Select all that apply*.)
   a. Budget constraints have not allowed an increase in nursing salaries.
   b. There is increased specialization by professional nurses, contributing to a nursing

shortage.
c. Staffing by registered nurses has decreased while use of unlicensed assistive personnel has increased.
d. Nurses are demanding a share in decision making.
e. Sign-on bonuses and recruitment of new graduates are used to maintain nursing staff.
f. Third-party reimbursement is difficult for advanced practice nurses to obtain.

ANS: A, C, D, E
Competing interests hamper nurses' struggles toward greater respect and autonomy. Nurse staffing has been undermined by the increased use of unlicensed assistive personnel. As nursing increases its voice and power, other professions must share in the decision-making process. Administrators have difficulty raising nurses' wages because budgetary constraints do not always allow costs to be passed on to the consumer. Administrators have instead used signing bonuses and recruitment of new graduates. Direct reimbursement for advanced practice nurses has created conflict with physician groups. However, advanced practice nurses are able to obtain third-party reimbursement.

DIF: Cognitive Level: Application REF: p. 80

4. A community/public health nurse is preparing a presentation about the Patient Protection and Affordable Care Act—2010 for a community group. Which of the following information would the nurse include in the presentation? (*Select all that apply*.)
a. Insurance plans may place a limit on lifetime benefits.
b. Children under age 21 will be eligible to be covered under their parents' health insurance plans.
c. Medicaid eligibility will be expanded.
d. State governments will be responsible for insuring their residents.
e. Education loan repayment awards for health professionals practicing in underserved areas will be established.
f. Grant funding will be available for health care professionals gaining advanced education in shortage areas.

ANS: C, E, F
The Patient Protection and Affordable Care Act—2010 prohibits insurance plans from placing lifetime limits on the dollar value of coverage. It requires insurance providers to expand coverage to young adults under age 26 to be covered under their parents' health insurance plan. Medicaid eligibility will be expanded. State governments will need to have additional plans in place to cover more of their residents, but they will not be responsible for insuring all residents in the state. Education loan repayment awards will be available for health professionals promising to practice with underserved populations and grant funding will be expanded for funding the education of health care professionals with emphasis in shortage areas such as geriatrics and primary care.

DIF: Cognitive Level: Application REF: p. 76