

AHIP FRAUD, WASTE, AND ABUSE (FWA) PRACTICE EXAM (SAMPLE)

STUDY GUIDE



Prepare with structure. Pass with confidence



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Table of Contents

Copyright	1
Table of Contents	2
Introduction	3
How to Use This Guide	4
Questions	5
Answers	8
Explanations	10
Next Steps	16

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. Which items and services are generally not covered by Medicare?**
 - A. Emergency ambulance services
 - B. Vision care including glasses
 - C. Hearing aids
 - D. Durable medical equipment
- 2. Why is it critical to verify all information provided to you?**
 - A. To expedite the claims process
 - B. To uphold ethical standards and prevent fraud
 - C. To ensure compliance with internal policies
 - D. To limit interactions with beneficiaries
- 3. What is the maximum duration of inpatient hospital costs Mr. Patel will have to cover under Medicare?**
 - A. Unlimited days if hospitalized for chronic conditions
 - B. He will have to pay for all costs after 30 days
 - C. He will pay coinsurance after 90 days for his lifetime
 - D. Costs are covered completely for the first 120 days
- 4. Why is it a misconception that compliance responsibility lies solely with the Compliance Officer?**
 - A. Because compliance affects all levels of the organization
 - B. Because compliance is only about financial issues
 - C. Because all employees are included in compliance training
 - D. Because the concept is only applicable to larger organizations
- 5. Prior to enrolling in a Medicare MSA plan, what should Mrs. Lyons know?**
 - A. All MSAs cover Part D benefits
 - B. MSAs only cover preventive services
 - C. Every MSA has a high deductible
 - D. All MSAs cover Part A and Part B benefits

- 6. What should beneficiaries enrolled in MA-MSA plans know about obtaining Part D benefits?**
- A. They must get their Part D benefits through their plan
 - B. They can only obtain Part D through a standalone PDP
 - C. They have no access to Part D coverage
 - D. They can switch to any Part D plan at any time
- 7. What option does Ms. Edwards have for filling her lost prescriptions while traveling?**
- A. She can fill them at any pharmacy without any increased cost
 - B. She must return home to fill the prescriptions
 - C. She can fill them at non-network pharmacies at potentially higher costs
 - D. She is not allowed to fill prescriptions outside her network
- 8. Which of the following statements about Medicare Savings Account (MSA) Plans is true?**
- A. MSAs always require network providers
 - B. MSA plans cover Part D benefits
 - C. Individuals in an MSA plan have a deductible of at least \$500
 - D. Non-network providers may charge more than the Original Medicare rate
- 9. What should Ms. Gibson understand about obtaining drug coverage with her new PPO plan?**
- A. She can enroll in a stand-alone Medicare Part D plan.
 - B. She may need to switch plans to get drug coverage.
 - C. She cannot purchase a stand-alone Medicare Part D plan.
 - D. She will automatically receive drug coverage with the PPO plan.
- 10. What is one of the main objectives of the Part D low-income subsidy program?**
- A. To provide immediate enrollment in any Medicare plan.
 - B. To ensure that all beneficiaries pay the same premium regardless of income.
 - C. To lessen the financial burden of prescription drugs on low-income beneficiaries.
 - D. To mandate that all seniors enroll in drug coverage.

Answers

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1. B
2. B
3. C
4. A
5. D
6. B
7. C
8. C
9. C
10. C

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Explanations

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1. Which items and services are generally not covered by Medicare?

- A. Emergency ambulance services
- B. Vision care including glasses**
- C. Hearing aids
- D. Durable medical equipment

Medicare generally does not cover routine vision care, which includes the cost of eyeglasses and contact lenses for most beneficiaries. While Medicare Part B provides coverage for certain vision-related services, such as eye exams for diagnosis and treatment of eye diseases (like glaucoma) and cataract surgery, it does not extend to the routine eye exams or the purchase of glasses and contacts. Therefore, glasses and vision care are typically out-of-pocket expenses for enrollees. In contrast, emergency ambulance services are covered under Medicare when medically necessary, as well as durable medical equipment, which includes items like wheelchairs and oxygen equipment when prescribed. Hearing aids, while essential for many, are not covered under traditional Medicare, but there may be some limited coverage under certain Medicare Advantage plans. However, the most consistent exclusion across Medicare's coverage policies is related to routine vision care and glasses.

2. Why is it critical to verify all information provided to you?

- A. To expedite the claims process
- B. To uphold ethical standards and prevent fraud**
- C. To ensure compliance with internal policies
- D. To limit interactions with beneficiaries

Verifying all information provided is essential to upholding ethical standards and preventing fraud. When accurate information is collected and verified, it helps maintain the integrity of the healthcare system. This process ensures that claims are legitimate, which protects both the organization and the patients from potential losses due to fraudulent activities. Upholding ethical standards is vital for fostering trust between healthcare providers, payers, and beneficiaries. When verification processes are rigorously followed, it discourages fraudulent practices, such as billing for services that were not provided or exaggerating the necessity of certain treatments. This commitment to accuracy and ethics ultimately contributes to better patient care and a more efficient healthcare system. By prioritizing the verification of information, organizations can reduce the risk of fraud and ensure that they are operating within regulatory guidelines, leading to a more trustworthy and sustainable healthcare environment.

3. What is the maximum duration of inpatient hospital costs Mr. Patel will have to cover under Medicare?

- A. Unlimited days if hospitalized for chronic conditions
- B. He will have to pay for all costs after 30 days
- C. He will pay coinsurance after 90 days for his lifetime**
- D. Costs are covered completely for the first 120 days

Under Medicare, the coverage for inpatient hospital services is structured with specific limits and cost-sharing guidelines. For Mr. Patel, Medicare Part A generally covers inpatient hospital stays for a period of up to 90 days per benefit period, with specific cost-sharing implications after the initial days. The correct answer indicates that he will pay coinsurance for hospital stays after 90 days, which aligns with the Medicare policy where after the first 60 days of hospitalization, there is a designated coinsurance amount that the patient must cover for days 61 to 90. Beyond 90 days, the individual would be responsible for all costs unless a new benefit period begins, which resets the coverage. Understanding this structure helps clarify why the other options do not accurately reflect Medicare's terms. There isn't an unlimited coverage duration for chronic conditions, nor is there a provision where he must pay all costs after just 30 days. Additionally, while the first 120 days might seem like a long period, costs are not completely covered during that entire timeframe—only specific rules pertain to the first 60 days without coinsurance. Hence, the maximum duration requiring Mr. Patel to contribute coinsurance accurately identifies Medicare's coverage policies.

4. Why is it a misconception that compliance responsibility lies solely with the Compliance Officer?

- A. Because compliance affects all levels of the organization**
- B. Because compliance is only about financial issues
- C. Because all employees are included in compliance training
- D. Because the concept is only applicable to larger organizations

The notion that compliance responsibility falls solely on the Compliance Officer is a misconception because compliance is a shared responsibility that impacts all levels of an organization. While the Compliance Officer plays a crucial role in establishing and overseeing compliance programs, the effectiveness of these programs depends on the engagement and cooperation of employees across different departments. Each employee has a role to play in adhering to policies and procedures that foster compliance with regulations and ethical standards. When everyone in the organization understands their responsibilities concerning compliance, it creates a culture of accountability and transparency, which ultimately enhances the overall integrity and legality of the organization's operations. This misconception overlooks the teamwork required within organizations to uphold compliance principles, as it is not an isolated duty but a collective effort that involves management, staff, and the Compliance Officer working collaboratively to ensure adherence to laws, regulations, and internal policies.

5. Prior to enrolling in a Medicare MSA plan, what should Mrs. Lyons know?

- A. All MSAs cover Part D benefits
- B. MSAs only cover preventive services
- C. Every MSA has a high deductible
- D. All MSAs cover Part A and Part B benefits**

When considering a Medicare MSA (Medical Savings Account) plan, it's essential for Mrs. Lyons to understand that these plans provide coverage for both Medicare Part A and Part B benefits. This means that while the MSA primarily operates as a high-deductible health plan combined with a medical savings account, beneficiaries can still access hospital insurance through Part A and medical insurance through Part B. Understanding this coverage is crucial because it helps Mrs. Lyons see how the MSA will assist with a broad range of healthcare needs. It also clarifies that the MSA's design allows for flexibility in using funds for various medical expenses while adhering to the structure dictated by Part A and Part B coverage. Other options may present misleading information: not all MSA plans include Part D prescription drug coverage, and while MSAs are characterized by high deductibles, it's not a uniform feature across all plans. Additionally, stating that MSAs only cover preventive services does not reflect the full scope of the benefits provided under Part A and Part B. Hence, knowing that MSAs cover both these parts is fundamental for making informed decisions about healthcare coverage.

6. What should beneficiaries enrolled in MA-MSA plans know about obtaining Part D benefits?

- A. They must get their Part D benefits through their plan
- B. They can only obtain Part D through a standalone PDP**
- C. They have no access to Part D coverage
- D. They can switch to any Part D plan at any time

Beneficiaries enrolled in Medicare Advantage Medical Savings Account (MA-MSA) plans should be aware that they can only obtain their Part D benefits through a standalone Prescription Drug Plan (PDP). This is essential for those enrolled in MA-MSA plans because these plans do not offer integrated Part D prescription drug coverage. As a result, beneficiaries must enroll in a separate standalone plan to receive prescription drug benefits. Understanding this distinction is critical for beneficiaries in order to ensure that they have the necessary coverage for their medications. Additionally, acquiring Part D through a standalone PDP allows beneficiaries to retain flexibility in managing their prescription benefits while participating in an MA-MSA plan. In contrast, other options suggest incorrect information about the relationship between MA-MSA plans and Part D benefits. For example, stating that they must obtain Part D benefits through their plan overlooks the fact that MA-MSA plans do not provide this coverage directly. Additionally, the notion that beneficiaries have no access to Part D coverage is misleading, as they can obtain it through a standalone PDP. Lastly, the idea that beneficiaries can switch to any Part D plan at any time fails to reflect the specific enrollment periods and regulations governing changes to Part D plans.

7. What option does Ms. Edwards have for filling her lost prescriptions while traveling?

- A. She can fill them at any pharmacy without any increased cost
- B. She must return home to fill the prescriptions
- C. She can fill them at non-network pharmacies at potentially higher costs**
- D. She is not allowed to fill prescriptions outside her network

Ms. Edwards can fill her prescriptions at non-network pharmacies at potentially higher costs. This option reflects a common practice in many health insurance plans, which allow members to use non-network pharmacies, though it may lead to higher out-of-pocket expenses compared to using in-network providers. This flexibility is particularly important for those traveling or in situations where they may be away from their designated network. By allowing access to medications outside of the established pharmacy network, patients like Ms. Edwards can manage their healthcare needs even when traveling, thereby preventing interruptions in their prescribed therapies. This option, while potentially costlier, ensures that patients have the flexibility to obtain necessary medications during their travels.

8. Which of the following statements about Medicare Savings Account (MSA) Plans is true?

- A. MSAs always require network providers
- B. MSA plans cover Part D benefits
- C. Individuals in an MSA plan have a deductible of at least \$500**
- D. Non-network providers may charge more than the Original Medicare rate

The correct statement is that individuals in an MSA plan have a deductible of at least \$500. Medicare Savings Account (MSA) Plans combine a high-deductible health plan (HDHP) with a medical savings account that beneficiaries can use to pay for their health care costs. The requirement for the deductible to be at least \$500 is a distinctive feature of MSA plans, which is important for beneficiaries in managing their costs before coverage begins. Additionally, this minimum deductible aligns with regulations that govern these types of plans, ensuring that beneficiaries are prepared for potential health care expenses and are informed about their financial responsibilities before Medicare coverage starts. Understanding this aspect of MSA plans is crucial for beneficiaries who might choose this option for their Medicare coverage.

9. What should Ms. Gibson understand about obtaining drug coverage with her new PPO plan?

- A. She can enroll in a stand-alone Medicare Part D plan.
- B. She may need to switch plans to get drug coverage.
- C. She cannot purchase a stand-alone Medicare Part D plan.**
- D. She will automatically receive drug coverage with the PPO plan.

The correct understanding for Ms. Gibson regarding drug coverage with her new PPO plan is that she cannot purchase a stand-alone Medicare Part D plan. This is due to the fact that a Medicare Advantage plan, such as a PPO, frequently includes drug coverage as part of its benefits. When a beneficiary is enrolled in a Medicare Advantage plan that provides drug coverage, they are not permitted to buy a separate stand-alone Part D plan, as this could lead to duplicate coverage and potential complications with Medicare compliance. Understanding this helps beneficiaries like Ms. Gibson navigate their options effectively. She should be well-aware that enrollment in a Medicare Advantage plan with included drug coverage implies that she will not have the flexibility to obtain a separate drug plan, thus making it essential for her to verify the extent of coverage offered by her PPO plan to ensure it meets her medication needs.

10. What is one of the main objectives of the Part D low-income subsidy program?

- A. To provide immediate enrollment in any Medicare plan.
- B. To ensure that all beneficiaries pay the same premium regardless of income.
- C. To lessen the financial burden of prescription drugs on low-income beneficiaries.**
- D. To mandate that all seniors enroll in drug coverage.

One of the main objectives of the Part D low-income subsidy program is to lessen the financial burden of prescription drugs on low-income beneficiaries. This program is specifically designed to assist those who qualify with reduced prescription drug costs, making necessary medications more affordable. The low-income subsidy helps by covering a portion of the monthly premiums, annual deductibles, and copayments for eligible individuals. This support is crucial in ensuring that low-income seniors and individuals with disabilities can access the medications they need without experiencing significant financial hardship. By focusing on reducing out-of-pocket costs, the program aims to improve access to necessary healthcare services and enhance the overall wellbeing of beneficiaries in this demographic.

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Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://ahipfwa.examzify.com>

We wish you the very best on your exam journey. You've got this!

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