

HEALTHCARE COMPLIANCE PRACTICE TEST (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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THE FULL VERSION STUDY GUIDE

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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. What is one of the seven elements of a compliance program for physician practices?**
 - A. Conducting market research
 - B. Implementing compliance and practice standards
 - C. Establishing independent contractors
 - D. Conducting ongoing medical education courses
- 2. Which practice is likely to benefit from an effective compliance program implementation?**
 - A. Raising service prices
 - B. Enhancing patient trust
 - C. Limiting employee training
 - D. Reducing the quality of care
- 3. Under the Patient Protection and Affordable Care Act (ACA) of 2010, children have a right to:**
 - A. Prevent changes to their insurance coverage
 - B. Do not pay any premium
 - C. Be covered until the age of 26
 - D. Automatically renew insurance without review
- 4. A violation of Stark Law occurs when:**
 - A. A hospital pays for hospital meals
 - B. A physician's family has a financial relationship with a referral entity
 - C. A patient is referred to any specialist
 - D. An insurance plan is changed
- 5. What does the Americans With Disabilities Act of 2008 emphasize?**
 - A. Promoting job performance over accommodations
 - B. Providing reasonable accommodations for employees with disabilities
 - C. Ensuring employment contracts are standard
 - D. Limiting the number of employees with disabilities

- 6. What regulation defines and limits the circumstances regarding the use and disclosure of an individual's PHI by covered entities?**
- A. Security Rule
 - B. Privacy Act
 - C. Privacy Rule
 - D. HIPAA Security Rule
- 7. Which color label indicates a flammability hazard in regulated waste?**
- A. Red
 - B. Blue
 - C. Yellow
 - D. White
- 8. What is the primary goal of enforcing compliance in healthcare?**
- A. To increase administrative costs
 - B. To protect the integrity of healthcare programs and patients
 - C. To limit healthcare accessibility
 - D. To enhance competition among providers
- 9. What is a requirement regarding the release of psychotherapy notes to insurance contractors?**
- A. They must always be provided upon request
 - B. Insurance contractors are not to request them
 - C. They can be merged with payment data
 - D. The patient must sign a waiver
- 10. Under ERISA, what must fiduciaries of qualified plans do?**
- A. Maximize profit for the company
 - B. Ensure plans comply with federal regulations and do not misuse assets
 - C. Provide the best retirement benefits only
 - D. Limit employee contributions to minimize costs

Answers

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

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Explanations

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1. What is one of the seven elements of a compliance program for physician practices?

- A. Conducting market research
- B. Implementing compliance and practice standards**
- C. Establishing independent contractors
- D. Conducting ongoing medical education courses

Implementing compliance and practice standards is a critical element of a compliance program for physician practices because it establishes the foundation for ethical and legal operations within the healthcare setting. Compliance and practice standards serve to guide healthcare professionals in their duties, ensuring they meet both regulatory requirements and organizational policies. By having clear standards in place, physician practices can proactively manage risk, reduce the likelihood of non-compliance, and promote a culture of accountability. This helps protect not only the patients but also the practice from legal issues, financial penalties, and reputational damage. Compliance programs that include these standards foster an environment where employees understand their responsibilities and the importance of adhering to laws and regulations, which ultimately enhances patient safety and care quality. Other options, such as conducting market research, establishing independent contractors, and conducting medical education courses, while potentially valuable in certain contexts, do not directly address the essential framework needed for compliance with healthcare regulations and standards. These activities do not form the core of a compliance program, which is primarily focused on identifying, preventing, and addressing violations of laws and regulations within healthcare practices.

2. Which practice is likely to benefit from an effective compliance program implementation?

- A. Raising service prices
- B. Enhancing patient trust**
- C. Limiting employee training
- D. Reducing the quality of care

Implementing an effective compliance program significantly enhances patient trust, which is a crucial aspect of healthcare delivery. Such a program establishes clear protocols for ethical behavior, privacy, and safety, ensuring that healthcare organizations adhere to legal regulations and industry standards. When patients are aware that a healthcare provider is committed to compliance, they are more likely to feel secure in the knowledge that their personal information is protected, their rights are respected, and they will receive high-quality care. By prioritizing compliance, organizations are proactive in preventing fraud, abuse, and other legal issues, which in turn fosters a culture of transparency and accountability. This enhances the relationship between providers and patients, leading to better patient satisfaction and loyalty. In contrast, practices that may harm patient trust, such as raising prices without justification or reducing the quality of care, would not contribute positively to the healthcare environment and can lead to decreased patient retention and potential legal repercussions.

3. Under the Patient Protection and Affordable Care Act (ACA) of 2010, children have a right to:

- A. Prevent changes to their insurance coverage
- B. Do not pay any premium
- C. Be covered until the age of 26**
- D. Automatically renew insurance without review

The Patient Protection and Affordable Care Act (ACA) of 2010 includes a significant provision that allows young adults to remain on their parents' health insurance plans until the age of 26. This provision was implemented to help young adults maintain access to health insurance during a critical period of their lives as they transition to independence, often while still pursuing education or starting their careers. Being able to stay on a parent's insurance plan provides stability and ensures that this age group is less likely to be uninsured, particularly considering that they may face challenges such as student loans, entry-level salaries, and fluctuating employment status. This provision has been crucial in reducing the uninsured rate among young adults, allowing for continued access to necessary healthcare services. The other options do not accurately reflect the provisions of the ACA. For instance, children do not have the right to prevent changes to their insurance coverage or to not pay any premium; insurance plans typically require premiums regardless of age. Also, while insurance plans may have options for renewal, they are subject to terms and conditions that involve review, rather than automatic renewals without any scrutiny.

4. A violation of Stark Law occurs when:

- A. A hospital pays for hospital meals
- B. A physician's family has a financial relationship with a referral entity**
- C. A patient is referred to any specialist
- D. An insurance plan is changed

A violation of Stark Law occurs when there is a financial relationship between a physician and a referral entity that influences the physician's referrals for designated health services. This law is designed to prevent conflicts of interest and self-referral situations where physicians may refer patients to facilities in which they have a financial interest. When a physician's family has a financial relationship with a referral entity, it raises concerns because it can lead to improper referrals, potentially resulting in increased healthcare costs and unethical decisions made in the interest of personal financial gain rather than patient care. Therefore, the presence of such a financial relationship directly contravenes the principles established by Stark Law, making this scenario a clear violation. In contrast, simply paying for hospital meals, having patients referred to any specialist, or changing an insurance plan does not inherently involve the financial interests that Stark Law aims to regulate. Thus, those situations do not meet the criteria for a violation of this law.

5. What does the Americans With Disabilities Act of 2008 emphasize?

- A. Promoting job performance over accommodations
- B. Providing reasonable accommodations for employees with disabilities**
- C. Ensuring employment contracts are standard
- D. Limiting the number of employees with disabilities

The Americans with Disabilities Act of 2008 primarily emphasizes providing reasonable accommodations for employees with disabilities. This legislation is designed to ensure that individuals with disabilities have equal opportunities in the workplace, which includes making necessary adjustments or modifications that allow them to perform their job duties effectively. These accommodations can range from physical changes to the workplace environment to more flexible work schedules or the provision of assistive technology. By focusing on reasonable accommodations, the act underscores the importance of inclusivity in the workplace, aiming to remove barriers that might prevent individuals with disabilities from fully participating in employment. This approach aligns with the broader goals of promoting diversity and inclusion within organizations, ensuring that everyone has a fair chance to succeed in their roles regardless of their physical or mental conditions. The other options do not capture the primary intent of the act. For instance, prioritizing job performance over accommodations fails to recognize the fundamental need for adjustments in order to support employees with disabilities. Similarly, ensuring standard employment contracts does not directly relate to the mission of the ADA in fostering an accessible and supportive work environment. Lastly, limiting the number of employees with disabilities contradicts the act's goal of promoting equality and inclusion in the workforce.

6. What regulation defines and limits the circumstances regarding the use and disclosure of an individual's PHI by covered entities?

- A. Security Rule
- B. Privacy Act
- C. Privacy Rule**
- D. HIPAA Security Rule

The regulation that defines and limits the circumstances regarding the use and disclosure of an individual's protected health information (PHI) by covered entities is the Privacy Rule. This rule is part of the Health Insurance Portability and Accountability Act (HIPAA) and establishes national standards for the protection of certain health information. The Privacy Rule specifically sets forth the rights of individuals regarding their PHI, including rights to access their medical records and request corrections. It also outlines the permissible uses and disclosures of PHI without patient consent, while requiring covered entities—such as healthcare providers, health plans, and healthcare clearinghouses—to implement appropriate safeguards to protect this sensitive information. In contrast, the Security Rule primarily focuses on the protection of electronic PHI by establishing standards for security measures. The Privacy Act pertains broadly to the management of personal data by federal agencies, rather than specifically addressing healthcare data. The HIPAA Security Rule is a more specialized subset that relates solely to electronic information systems, whereas the Privacy Rule encompasses all forms of PHI, reinforcing its broad applicability and importance in healthcare compliance.

7. Which color label indicates a flammability hazard in regulated waste?

- A. Red
- B. Blue
- C. Yellow
- D. White

The color red is widely recognized as a standard indicator of flammability hazards in various safety protocols, including the labeling of regulated waste. In the context of regulated waste management, using a red label helps ensure that individuals handling or coming into contact with potentially hazardous materials are immediately aware of the fire risks associated with those materials. This color coding is part of a broader system designed to enhance safety by clearly identifying hazards, thereby facilitating quick recognition and appropriate responses in emergency situations. Each color in the hazard labeling system serves a distinct purpose, ensuring clarity in communication about risks. For example, blue typically signifies health hazards, yellow may indicate reactivity risks, and white labels might denote general waste or specify non-hazardous materials. Therefore, using red specifically for flammability underscores its significance in the context of waste management and safety protocols.

8. What is the primary goal of enforcing compliance in healthcare?

- A. To increase administrative costs
- B. To protect the integrity of healthcare programs and patients
- C. To limit healthcare accessibility
- D. To enhance competition among providers

Enforcing compliance in healthcare primarily aims to protect the integrity of healthcare programs and patients. This involves ensuring that healthcare practices adhere to established laws, regulations, and ethical standards designed to promote patient safety and quality of care. By maintaining compliance, healthcare organizations can prevent fraudulent activities, safeguard patient information, and assure that care is delivered fairly and effectively. Compliance efforts are crucial in fostering trust in healthcare systems, protecting patients from potential harm due to negligent practices, and ensuring that resources are used appropriately. When the integrity of healthcare programs is upheld, it also contributes to improving healthcare outcomes and minimizing risks that could endanger public health. Focusing on patient protection and the overall integrity of the healthcare system supports a more sustainable and effective healthcare environment, ultimately benefiting both providers and patients alike.

9. What is a requirement regarding the release of psychotherapy notes to insurance contractors?

- A. They must always be provided upon request
- B. Insurance contractors are not to request them**
- C. They can be merged with payment data
- D. The patient must sign a waiver

The requirement regarding the release of psychotherapy notes to insurance contractors is that they are not to request them. Psychological and psychotherapy notes are given a higher degree of protection under HIPAA compared to other medical records. This means that insurance companies generally do not have the right to access them without explicit consent from the patient. HIPAA recognizes that psychotherapy notes contain sensitive and personal information that, if disclosed, could harm the patient's privacy and therapy. As such, the rules are stringent regarding the circumstances under which these notes can be shared. This is why the correct answer indicates that insurance contractors are not permitted to request psychotherapy notes; they must instead rely on other health records that do not carry the same level of confidentiality. Other options suggest inappropriate handling or transfer of psychotherapy notes that do not align with HIPAA regulations. For instance, merging psychotherapy notes with payment data conflicts with the confidentiality that these notes are meant to offer, and requiring a waiver implies a level of consent that is not typically applicable in this context.

10. Under ERISA, what must fiduciaries of qualified plans do?

- A. Maximize profit for the company
- B. Ensure plans comply with federal regulations and do not misuse assets**
- C. Provide the best retirement benefits only
- D. Limit employee contributions to minimize costs

Fiduciaries of qualified plans under the Employee Retirement Income Security Act (ERISA) have a primary duty to act in the best interests of plan participants and beneficiaries. This responsibility includes ensuring that plans comply with federal regulations, which encompass maintaining the integrity of the plan and safeguarding its assets from misuse. Fiduciaries must prudently manage the plan and avoid conflicts of interest, emphasizing the protection and growth of participants' benefits. Compliance with federal regulations is essential, as ERISA sets minimum standards for pension plans and defines fiduciary responsibilities to bolster transparency and accountability. A failure to adhere to these duties can lead to legal consequences, potentially jeopardizing the participants' retirement assets. Maximizing profits for the company, solely focusing on providing the best retirement benefits, or limiting employee contributions to reduce costs do not align with the core obligation fiduciaries have under ERISA. Their primary commitment is to the participants and beneficiaries, ensuring the financial health and regulatory compliance of the plan itself rather than corporate interests or cost-cutting measures.

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://healthcarecompliance.examzify.com>

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

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