

Healthcare Economics, Organizations, and Policy Practice Test (Sample)

Study Guide



Everything you need from our exam experts!

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Table of Contents

Copyright	1
Table of Contents	2
Introduction	3
How to Use This Guide	4
Questions	5
Answers	9
Explanations	11
Next Steps	18

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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. Patient satisfaction is often linked to what healthcare quality measure?**
 - A. Patient safety incidents**
 - B. Cost per treatment**
 - C. Readmission rates**
 - D. Patient won't return for service**

- 2. The registered nurse observes a new graduate nurse providing patient-centered care. What action led to this conclusion?**
 - A. The new graduate maintains eye contact with the patients.**
 - B. The new graduate provides food according to the patients' preferences.**
 - C. The new graduate spends more time with patients who have few visitors.**
 - D. The new graduate avoids holding the patients' hands while interacting with them.**

- 3. How can patient satisfaction impact healthcare quality?**
 - A. By providing data for financial reimbursement only**
 - B. By influencing the way clinicians treat patients**
 - C. By enhancing patient compliance and following healthcare instructions**
 - D. By increasing administrative workload**

- 4. Which aspect of Medicare includes outpatient prescription drug coverage?**
 - A. Part A**
 - B. Part B**
 - C. Part C**
 - D. Part D**

- 5. The nurse reviews various standardized terminology before entering patient data. What is the purpose of this review?**
- A. To store patient information properly in order to apply for Medicaid incentives.**
 - B. To ensure that patient information is meaningful to other health care professionals.**
 - C. To allow the nurse to retrieve the information the next time it is needed.**
 - D. To ensure that patients can understand information within the electronic health record.**
- 6. During an initial survey in a health care facility, The Joint Commission finds that the facility does not follow regulations for seclusion. What is the likely consequence?**
- A. The organization has to pay a large-dollar-amount to TJC.**
 - B. The organization cannot provide treatment to psychiatric patients.**
 - C. The organization will receive a condition-level deficiency certificate.**
 - D. The organization will not receive funding from Medicaid and Medicare.**
- 7. When teaching about cancer risk factors, which factor is least likely to predispose an individual to laryngeal cancer?**
- A. Chronic respiratory infection**
 - B. Heavy alcohol ingestion**
 - C. Air pollution**
 - D. Inadequate dental hygiene**
- 8. What does the term "out-of-pocket maximum" refer to in healthcare plans?**
- A. The total annual premium paid by a patient**
 - B. The maximum paid by a patient for covered services in a year**
 - C. The total amount billed for all healthcare services**
 - D. The deductible amount required before coverage begins**

9. In the context of healthcare, what does 'patient-centered care' indicate?

- A. Care primarily focused on hospital efficiency.**
- B. Care tailored to meet individual patient preferences and needs.**
- C. Care designed to minimize costs.**
- D. Care determined by health care worker experience.**

10. Which component is NOT associated with the Affordable Care Act (ACA)?

- A. Medicaid expansion**
- B. Health insurance exchanges**
- C. Individual mandate for insurance coverage**
- D. Pharmaceutical pricing regulation**

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Answers

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

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Explanations

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1. Patient satisfaction is often linked to what healthcare quality measure?

- A. Patient safety incidents**
- B. Cost per treatment**
- C. Readmission rates**
- D. Patient won't return for service**

Patient satisfaction is closely associated with readmission rates, as high levels of dissatisfaction often lead to an increased likelihood of patients returning to the hospital. When patients are unhappy with their care experience—whether due to aspects like communication, responsiveness, or perceived efficiency—they may not follow discharge instructions effectively, which can result in complications and subsequent readmissions. Understanding patient satisfaction in relation to readmission rates emphasizes the importance of quality care. Improving the experience a patient has during their stay or interaction with healthcare services can lead to better health outcomes and reduced need for readmission. The other options do not directly connect to patient satisfaction as closely as readmission rates do. For example, while patient safety incidents are crucial for overall healthcare quality, they primarily focus on the clinical aspect of care rather than the satisfaction of the patient. Cost per treatment may influence certain decisions but does not directly reflect how patients perceive their care experience. Finally, while a patient not returning for service could be a sign of dissatisfaction, it is more of a consequence rather than a measure directly linked to the quality of care received, particularly in the context of healthcare system evaluations.

2. The registered nurse observes a new graduate nurse providing patient-centered care. What action led to this conclusion?

- A. The new graduate maintains eye contact with the patients.**
- B. The new graduate provides food according to the patients' preferences.**
- C. The new graduate spends more time with patients who have few visitors.**
- D. The new graduate avoids holding the patients' hands while interacting with them.**

Patient-centered care emphasizes the importance of considering patients' preferences, values, and needs in the delivery of healthcare services. When the new graduate nurse provides food according to the patients' preferences, it demonstrates an understanding and respect for individual patient choices and dietary needs. This action is foundational to creating a personalized care experience, which is a hallmark of patient-centered care. Maintaining eye contact is important for effective communication and rapport but does not directly reflect a tailored approach to care that considers patient preferences. Spending more time with patients who have few visitors shows compassion and attention to emotional needs, but does not necessarily indicate a focused approach to their specific care preferences. Avoiding physical contact, such as holding a patient's hands, could be seen as a less personal interaction, which might not align with the tenets of patient-centered care that seek to foster trust and connection with patients.

3. How can patient satisfaction impact healthcare quality?

- A. By providing data for financial reimbursement only
- B. By influencing the way clinicians treat patients
- C. By enhancing patient compliance and following healthcare instructions**
- D. By increasing administrative workload

Patient satisfaction has a significant impact on healthcare quality because it directly affects how patients engage with their healthcare processes. When patients are satisfied with their care, they are more likely to adhere to treatment recommendations, attend follow-up appointments, and follow prescribed health regimens. This compliance can lead to better health outcomes, which is a key component of healthcare quality. Furthermore, enhanced patient compliance often translates into improved management of chronic diseases, lower rates of hospital readmissions, and overall cost reductions for healthcare systems. The more satisfied patients are with their communication with healthcare professionals and the quality of care they receive, the more likely they are to take proactive steps in managing their health. This results in a virtuous cycle where positive patient experiences lead to better outcomes, which in turn elevate the overall standards of healthcare quality. In contrast, other options do not capture the fundamental connection between patient satisfaction and improved healthcare quality. Focusing solely on financial reimbursement or administrative workload does not address the direct benefits derived from patient engagement and compliance. Similarly, while clinician treatment may be influenced by patient feedback, it is the enhanced patient compliance that truly elevates healthcare quality standards.

4. Which aspect of Medicare includes outpatient prescription drug coverage?

- A. Part A
- B. Part B
- C. Part C
- D. Part D**

Medicare Part D is specifically designed to provide outpatient prescription drug coverage. This component of Medicare was created to help beneficiaries pay for medications that they need to maintain their health and manage chronic conditions. It allows individuals to enroll in standalone prescription drug plans (PDPs) or Medicare Advantage plans that include drug coverage. Part D plays a crucial role in increasing access to necessary medications, thereby improving health outcomes for beneficiaries who may struggle with the costs of their prescriptions. The program also incorporates a variety of formularies, which are lists of covered drugs, helping ensure that medications are affordable for patients. The other parts of Medicare cover different aspects of healthcare: Part A covers hospital insurance, providing for inpatient hospital stays, skilled nursing facility care, hospice care, and some home health care. Part B covers outpatient care, including doctor's visits, preventive services, and some home health care, while Part C refers to Medicare Advantage plans that include both Part A and Part B coverage, often with additional benefits but not specifically focused on outpatient prescriptions.

5. The nurse reviews various standardized terminology before entering patient data. What is the purpose of this review?
- A. To store patient information properly in order to apply for Medicaid incentives.
 - B. To ensure that patient information is meaningful to other health care professionals.**
 - C. To allow the nurse to retrieve the information the next time it is needed.
 - D. To ensure that patients can understand information within the electronic health record.

The purpose of reviewing standardized terminology before entering patient data is fundamentally about ensuring that the information is meaningful to other healthcare professionals. Standardized terminology provides a common language that healthcare providers use to document and communicate patient care. This shared understanding is crucial in collaborative healthcare environments where multiple professionals are involved in a patient's care journey. When standardized terminology is applied, it enhances clarity and reduces ambiguity, enabling different healthcare providers to accurately interpret and utilize the data. This is particularly important for aspects such as continuity of care, where providers from various disciplines need to understand each other's documentation to coordinate effectively and make informed clinical decisions. Using standardized vocabulary also facilitates better data exchange and interoperability among healthcare systems, which is essential for integrated care delivery and improving healthcare outcomes. Overall, the primary goal is to create a cohesive and understandable representation of patient data that can be reliably shared across the healthcare team, fostering collaboration and improving the quality of patient care.

6. During an initial survey in a health care facility, The Joint Commission finds that the facility does not follow regulations for seclusion. What is the likely consequence?
- A. The organization has to pay a large-dollar-amount to TJC.
 - B. The organization cannot provide treatment to psychiatric patients.
 - C. The organization will receive a condition-level deficiency certificate.**
 - D. The organization will not receive funding from Medicaid and Medicare.

The choice indicating that the organization will receive a condition-level deficiency certificate is correct because The Joint Commission (TJC) evaluates healthcare facilities' compliance with established standards, particularly related to patient safety and care quality. When deficiencies are identified, such as in the area of seclusion regulations, TJC issues a condition-level deficiency certificate. This certificate serves as a formal notification that the facility has not met specific regulatory requirements, which requires the organization to address the deficiencies in order to maintain accreditation. This consequence emphasizes the importance of complying with regulations intended to protect patients' rights and safety, particularly in psychiatric care settings. Receiving this certificate does not immediately terminate the facility's ability to treat patients but instead sets a framework for corrective action to be taken. While other consequences like loss of funding from Medicaid and Medicare, or restrictions on patient treatment may occur if issues persist or are not rectified, the immediate outcome of receiving a deficiency certificate is a direct administrative response to the findings from the survey. This is a critical initial step in the process of rectifying compliance issues and ensuring that standards are met moving forward.

7. When teaching about cancer risk factors, which factor is least likely to predispose an individual to laryngeal cancer?
- A. Chronic respiratory infection
 - B. Heavy alcohol ingestion
 - C. Air pollution
 - D. Inadequate dental hygiene**

The factor least likely to predispose an individual to laryngeal cancer is inadequate dental hygiene. While dental hygiene is an important aspect of overall health and can impact oral and digestive cancers, its direct connection to laryngeal cancer is not strongly established in the literature. In contrast, the other options have more robust associations with laryngeal cancer risk. Heavy alcohol ingestion is a well-recognized risk factor for various cancers, including laryngeal cancer, as it can lead to cellular damage and the development of malignancies in the tissues of the larynx. Chronic respiratory infections can also be implicated in increasing susceptibility to cancers due to ongoing inflammation and cellular changes in the respiratory tract. Air pollution has been linked to a range of respiratory issues and is understood to contribute to various forms of cancer, as exposure to certain pollutants can cause genetic alterations in susceptible tissues, including those in the larynx. Thus, while inadequate dental hygiene is important for preventing certain health issues, its role in predisposing individuals specifically to laryngeal cancer is significantly weaker compared to the other factors listed.

8. What does the term "out-of-pocket maximum" refer to in healthcare plans?

- A. The total annual premium paid by a patient**
- B. The maximum paid by a patient for covered services in a year**
- C. The total amount billed for all healthcare services**
- D. The deductible amount required before coverage begins**

The term "out-of-pocket maximum" refers specifically to the cap on the amount a patient will have to pay for covered healthcare services within a plan year. Once this threshold is reached, the insurance plan covers 100% of the costs for any additional covered services for the remainder of that year. This feature is crucial as it provides financial protection to patients, ensuring that their total expenditures on healthcare do not go beyond a certain limit, regardless of the expensive nature of their medical needs. Understanding this concept is essential for effective healthcare budgeting and can significantly impact the decision-making process for patients when selecting a health insurance plan. It is particularly important for individuals who may require substantial medical care or face chronic health issues, as it helps them manage their potential financial liabilities in the context of their overall healthcare expenses.

9. In the context of healthcare, what does 'patient-centered care' indicate?

- A. Care primarily focused on hospital efficiency.**
- B. Care tailored to meet individual patient preferences and needs.**
- C. Care designed to minimize costs.**
- D. Care determined by health care worker experience.**

Patient-centered care emphasizes the importance of considering individual patient preferences, needs, and values in the healthcare process. This approach ensures that patients are active participants in their own care, which can lead to better health outcomes and increased patient satisfaction. By focusing on what is important to the patient, healthcare providers can enhance the overall experience and effectiveness of treatment. In practice, patient-centered care involves open communication between healthcare providers and patients, allowing for shared decision-making and personalized treatment plans. This model of care recognizes that each patient is unique, and thus, healthcare should be adaptable to fit individual circumstances and desires, which ultimately promotes a more holistic approach to health and well-being. In contrast, options focusing on hospital efficiency, cost-minimization, or decisions made solely based on healthcare workers' experience do not prioritize the patient's personal preferences and needs, which is central to the concept of patient-centered care.

10. Which component is NOT associated with the Affordable Care Act (ACA)?

- A. Medicaid expansion**
- B. Health insurance exchanges**
- C. Individual mandate for insurance coverage**
- D. Pharmaceutical pricing regulation**

The Affordable Care Act (ACA) primarily focuses on expanding healthcare coverage and improving the healthcare system's efficiency and affordability, particularly for uninsured and underinsured individuals. Components like Medicaid expansion, health insurance exchanges, and the individual mandate are central elements designed to achieve these goals. Medicaid expansion aimed to extend coverage to a larger group of low-income individuals and families by raising the income eligibility threshold. Health insurance exchanges were established as a marketplace for individuals and small businesses to shop for and enroll in health insurance plans that meet certain standards of coverage. The individual mandate, which required most Americans to have health insurance or pay a penalty, helped to ensure that more people would seek insurance coverage, thus balancing the risk pool among insured individuals. In contrast, while pharmaceutical pricing is a significant issue within the healthcare system, the ACA did not implement specific regulations on pharmaceutical pricing. Although it included measures to provide some access to prescription medications and aimed to improve drug affordability, comprehensive regulation of drug prices falls outside the ACA's direct provisions. This distinction highlights why pharmaceutical pricing regulation is not associated with the ACA, making it the correct response to the question.

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://healthcareconorgspolicy.examzify.com>

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

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