

NHCAA Accredited Health Care Fraud Investigator (AHFI) Practice Exam (Sample)

Study Guide



Everything you need from our exam experts!

This is a sample study guide. To access the full version with hundreds of questions,

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Table of Contents

Copyright	1
Table of Contents	2
Introduction	3
How to Use This Guide	4
Questions	6
Answers	9
Explanations	11
Next Steps	17

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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. Don't worry about getting everything right, 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, and take breaks to retain information better.

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.

7. Use Other Tools

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!

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Questions

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- 1. Which of the following is NOT a type of internal control?**
 - A. Preventive**
 - B. Directive**
 - C. Compensatory**
 - D. Detective**
- 2. What can be a potential outcome of unclear policies and procedures?**
 - A. Improved staff morale**
 - B. A decrease in compliance failures**
 - C. Increased complaints from patients**
 - D. Need for remediation due to unclear expectations**
- 3. Which of the following is NOT a safeguard outlined in the security rule?**
 - A. Administrative**
 - B. Technical**
 - C. Financial**
 - D. Physical**
- 4. What did the 2010 amendment to the Federal Sentencing Guidelines expand?**
 - A. Penalties for corporate leaders**
 - B. Eligibility for reduced culpability for organizations**
 - C. Duration of sentencing guidelines**
 - D. Protections for whistleblowers**
- 5. Which method is NOT used for rendering PHI unusable?**
 - A. Encryption**
 - B. Destruction**
 - C. Storage in secured servers**
 - D. None of the above**

6. What does the Anti-Kickback Statute (AKS) prohibit?

- A. Hiring employees at a lower wage**
- B. The knowing and willful payment of remuneration for patient referrals**
- C. Offering bonuses for training programs**
- D. Providing free services to employees**

7. What constitutes a conflict of interest?

- A. An individual's private interest aligns with company goals**
- B. Any situation where there is no financial benefit**
- C. A private interest that interferes with corporate interests**
- D. A decision made without personal benefit**

8. Which of the following statements is true regarding the likelihood of criminal conduct in organizations?

- A. It can be ignored if the organization is small**
- B. It is irrelevant to the nature of the organization's business**
- C. It may vary depending on the organization's prior history**
- D. It should be viewed as a low-risk area**

9. Which two sampling methodologies are commonly used in auditing?

- A. Random and systematic**
- B. Statistical and non-statistical**
- C. Qualitative and quantitative**
- D. Everyday and advanced**

10. What is a drawback of retrospective audits?

- A. They are difficult to access information**
- B. They require realtime analysis**
- C. They necessitate a specific milestone to review**
- D. They yield immediate feedback**

Answers

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

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Explanations

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1. Which of the following is NOT a type of internal control?

- A. Preventive
- B. Directive
- C. Compensatory**
- D. Detective

The correct answer is that compensatory is not considered a primary type of internal control in the traditional framework. Internal controls are systems and processes implemented by organizations to ensure the integrity of financial and accounting information, promote accountability, and prevent fraud. Preventive controls are designed to stop undesirable events from occurring, such as fraud or errors, by addressing risks before they materialize. Examples include segregation of duties, authorization requirements, and training programs that educate employees about compliance. Directive controls, while less common in terminology, generally refer to controls that encourage or guide behavior towards desired outcomes. They set clear policies and procedures for employees to follow, ensuring that organizational objectives are met. Detective controls serve to identify and catch issues after they have occurred. These include audits, reconciliations, and error detection systems, which are put in place to discover discrepancies after activities take place. Compensatory controls typically refer to alternate measures that are put in place to mitigate risk when primary controls are ineffective or are not feasible. While they play a role in risk management, they are not classified as a fundamental category of internal control like preventive, directive, or detective controls are. Thus, the term compensatory does not fit within the standard classification of internal control types, making it the correct

2. What can be a potential outcome of unclear policies and procedures?

- A. Improved staff morale
- B. A decrease in compliance failures
- C. Increased complaints from patients
- D. Need for remediation due to unclear expectations**

The correct answer highlights that unclear policies and procedures can result in a need for remediation due to unclear expectations. When staff members do not fully understand what is required of them because of vague or poorly written policies, it can lead to confusion and inconsistency in their performance. This can create situations where employees inadvertently violate compliance requirements or fail to meet organizational standards, prompting the need for additional training or corrective actions to address the shortcomings. Clear and well-communicated policies are essential for ensuring that all staff members know their responsibilities, thus preventing errors and compliance issues that may arise from ambiguity. In contrast, the other options suggest outcomes that are less likely or even contrary to what typically occurs when policies are unclear. For example, improved staff morale generally comes from clarity and support, rather than confusion and uncertainty. Similarly, unclear policies are likely to lead to increased compliance failures rather than a decrease, as staff may not know how to effectively adhere to guidelines. Increased complaints from patients may occur from poor service as a result of staff misinterpretation of their roles, but this tends to be a downstream effect rather than a direct outcome of the lack of clear policies. Thus, the focus on remediation due to unclear expectations appropriately captures a direct and necessary response to the challenges posed

3. Which of the following is NOT a safeguard outlined in the security rule?

- A. Administrative**
- B. Technical**
- C. Financial**
- D. Physical**

The correct choice is financial, as it is not categorized as a safeguard under the security rule. The security rule, which is part of the Health Insurance Portability and Accountability Act (HIPAA), outlines specific safeguards that must be implemented to protect electronic protected health information (ePHI). These safeguards are arranged into three primary categories: administrative, technical, and physical. Administrative safeguards include policies and procedures designed to manage the selection, development, implementation, and maintenance of security measures to protect ePHI. Technical safeguards involve the technology and the policies and procedures for its use that protect ePHI and control access to it. Physical safeguards include the physical measures, policies, and procedures to protect electronic systems and related buildings and equipment from natural and environmental hazards, as well as unauthorized intrusion. In contrast, financial safeguards do not fall under these specific categories set forth by the security rule and therefore do not contribute directly to the protections required for ePHI. Understanding these categories is crucial for healthcare organizations to ensure compliance with HIPAA regulations and to effectively protect sensitive patient information.

4. What did the 2010 amendment to the Federal Sentencing Guidelines expand?

- A. Penalties for corporate leaders**
- B. Eligibility for reduced culpability for organizations**
- C. Duration of sentencing guidelines**
- D. Protections for whistleblowers**

The 2010 amendment to the Federal Sentencing Guidelines expanded eligibility for organizations seeking reduced culpability. This amendment recognized that organizations could benefit from implementing effective compliance and ethics programs. By providing criteria for reduced culpability, the amendment encouraged businesses to proactively establish and maintain compliance measures that could mitigate their legal risks. The intention was to foster a culture of compliance within organizations, acknowledging that companies that take significant steps to prevent misconduct may deserve more lenient treatment in sentencing. This amendment supports a proactive approach to corporate responsibility, encouraging organizations to not only avoid fraud but to actively work against it through comprehensive compliance structures, which indicates a shift toward recognizing how an organization's conduct can influence its legal standing.

5. Which method is NOT used for rendering PHI unusable?

- A. Encryption
- B. Destruction
- C. Storage in secured servers**
- D. None of the above

The correct answer focuses on the concept of how to render Protected Health Information (PHI) unusable, which is a key component in safeguarding patient data and complying with regulations such as HIPAA. Encryption is a crucial method for securing PHI, as it transforms data into a secure format that is unreadable without the appropriate encryption key. This means that even if the data is intercepted or accessed without authorization, it cannot be utilized without the key, thereby rendering it unusable to anyone without proper access. Destruction refers to physically or digitally disposing of data in such a way that it cannot be reconstructed or retrieved. This is a direct method of ensuring that information cannot be accessed or misused, aligning perfectly with the objective to make PHI unusable. In contrast, storing PHI in secured servers does not achieve the goal of rendering the information unusable. While secured servers may protect against unauthorized access, they do not eliminate the possibility of accessing the information. If a secure server is breached, the data remains intact and usable, thus failing to meet the criteria for making the PHI unusable. The answer 'None of the above' would imply that all listed methods could be considered valid for rendering PHI unusable, which is not accurate.

6. What does the Anti-Kickback Statute (AKS) prohibit?

- A. Hiring employees at a lower wage
- B. The knowing and willful payment of remuneration for patient referrals**
- C. Offering bonuses for training programs
- D. Providing free services to employees

The Anti-Kickback Statute (AKS) specifically prohibits the knowing and willful payment of remuneration, which can be in the form of money, goods, services, or any other benefit, to induce or reward patient referrals regarding services that are reimbursable by federal healthcare programs. This provision aims to prevent unethical financial incentives that could compromise the integrity of patient care and lead to unnecessary or inappropriate services being provided. The focus of the AKS is on maintaining transparency and ethical practices in healthcare, ensuring that medical decisions are made based solely on patients' needs rather than financial motivations. By addressing inducements for referrals, the statute seeks to protect both patients and the government from fraudulent activities. Other options, while they may relate to employee practices or services, do not directly involve the issue of bribing or incentivizing referrals in a way that could lead to healthcare fraud as outlined by the AKS.

7. What constitutes a conflict of interest?

- A. An individual's private interest aligns with company goals**
- B. Any situation where there is no financial benefit**
- C. A private interest that interferes with corporate interests**
- D. A decision made without personal benefit**

A conflict of interest arises when an individual's private interests, such as personal gain or relationships, interfere with their professional responsibilities or the interests of the organization they represent. Option C is correct because it clearly defines the essence of a conflict of interest—when an individual's personal motivations or circumstances impede their ability to act in the best interest of their employer or the stakeholders involved. In the context of health care fraud investigation, this can manifest in various ways, such as an investigator having a financial stake in a particular healthcare provider being audited, leading to biased findings or a lack of objectivity in the investigation process. The other options do not adequately capture the concept of a conflict of interest. For instance, having a private interest that aligns with company goals does not create a conflict; rather, it presents a harmonious relationship. Situations devoid of financial benefits or decisions made without personal advantage do not constitute conflicts of interest, as the defining aspect is how personal interests can compromise professional integrity, not the absence of personal gain per se.

8. Which of the following statements is true regarding the likelihood of criminal conduct in organizations?

- A. It can be ignored if the organization is small**
- B. It is irrelevant to the nature of the organization's business**
- C. It may vary depending on the organization's prior history**
- D. It should be viewed as a low-risk area**

The statement regarding the likelihood of criminal conduct in organizations that is true is that it may vary depending on the organization's prior history. This is significant because an organization's past behaviors, including any instances of fraud or unethical conduct, can impact its current risk profile. If an organization has a history of engaging in criminal activities, or has previously faced legal issues, it may indicate heightened risk and potential for future misconduct. A strong history of ethical practices, conversely, can suggest a lower likelihood of criminal behavior. Regarding the other options, the idea that criminal conduct can be ignored if the organization is small overlooks the fact that even small organizations can engage in fraudulent activities. The size of an organization does not necessarily correlate with its ethical practices or likelihood of criminal conduct. Stating that criminal conduct is irrelevant to the nature of the organization's business fails to recognize that certain industries inherently have higher risks for fraud due to the nature of their operations (e.g., healthcare, finance). Viewing it as a low-risk area undermines the reality that organizations of all sizes and types can encounter significant ethical challenges, and therefore, complacency about potential risks can lead to serious consequences.

9. Which two sampling methodologies are commonly used in auditing?

- A. Random and systematic**
- B. Statistical and non-statistical**
- C. Qualitative and quantitative**
- D. Everyday and advanced**

The correct choice highlights the distinction between statistical and non-statistical sampling methodologies, which are integral to auditing processes. Statistical sampling allows auditors to draw conclusions about a population based on a sample, applying mathematical principles to ensure that their results are reliable, and providing a measurable level of assurance about the findings. This method is crucial for audits because it allows for objective analysis and error estimation, which enhances the credibility and effectiveness of the audit. In contrast, non-statistical sampling involves selecting items for testing based on judgment rather than mathematical techniques. While it can be useful, it does not provide the same level of assurance as statistical sampling and can be more subjective. Understanding these methodologies and their applications is key for auditors to conduct effective audits, ensuring compliance and identifying potential fraudulent activities. The recognition of both sampling techniques is essential in delivering comprehensive audit results. Other choices do not encapsulate the specific practices used in auditing contexts. For instance, random and systematic sampling are specific methods that could fit within the broader category of statistical sampling, while qualitative and quantitative refer to types of data rather than sampling strategies. The options of everyday and advanced do not provide any meaningful context related to auditing methodologies.

10. What is a drawback of retrospective audits?

- A. They are difficult to access information**
- B. They require realtime analysis**
- C. They necessitate a specific milestone to review**
- D. They yield immediate feedback**

Retrospective audits primarily analyze practices and claims after the fact, often looking back over specified timeframes to identify discrepancies, fraud, or areas for improvement in healthcare billing and operations. A specific milestone refers to the moment or period that is selected for the audit review, which is crucial because retrospective audits often rely on historical data and trends. Setting these milestones is vital for maintaining focus on relevant data and ensuring the audit yields useful insights. However, the retrospective nature of these audits means that reaching back to analyze past performance can be less effective without those milestones to gauge progress or improvement over a defined period. This illustrates the drawback inherent in relying on retrospective audits, as they may miss current issues or fail to address ongoing concerns due to their focus on historical practices. Thus, without clearly defined points of reference, it can be challenging to apply learned lessons effectively for real-time improvements. The other options do not align with the nature of retrospective audits. They do not entail real-time analysis, which is characteristic of prospective audits, nor are they notably hard to access, especially with the right tools. Additionally, they do not provide immediate feedback, given their retrospective nature focused on past behaviors rather than current or ongoing situations.

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://nhcaaahfi.examzify.com>

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

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