

Risk Adjustment Data Validation (RADV) Audit Training Practice Test (Sample)

Study Guide



Everything you need from our exam experts!

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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 type of training should staff receive to ensure readiness for a RADV audit?**
 - A. Training focused solely on financial outcomes**
 - B. General training without specifics**
 - C. Training on compliance and coding practices**
 - D. Training only from external entities**

- 2. Which of the following states how HCCs provide financial weighting in the risk adjustment process?**
 - A. A. HCCs are equal in weight across all diagnosis codes**
 - B. B. Higher HCCs lead to lower risk adjustment factors**
 - C. C. HCCs are linked through a hierarchical structure that affects risk scoring**
 - D. D. HCCs must be supported by laboratory results to be valid**

- 3. In the context of a RADV audit, which element is critical for supporting a diagnosis?**
 - A. A comprehensive billing statement**
 - B. Provider's clinical notes**
 - C. A signed attestation from the patient**
 - D. An electronic communication record**

- 4. What can a provider do with predictive model information to decrease medical costs?**
 - A. Develop disease management education programs**
 - B. Involve clinical staff to help with coordination of care**
 - C. Refer the patients with chronic illnesses to be treated by another provider**
 - D. Determine the return on investment when referring to a specialist for chronic illnesses**

- 5. Which statement about financial penalties after a RADV audit is correct?**
 - A. They are limited to individual members only**
 - B. They can be averaged across the entire plan membership**
 - C. They might be imposed over an extended period**
 - D. They take into account recent patient admissions only**

- 6. If a predictive model results indicate a member has a DME claim for oxygen, an Rx claim for a bronchodilator, and a medical claim which included a PFT, which diagnosis would you predict?**
- A. Hypertension**
 - B. Emphysema**
 - C. CHF**
 - D. Diabetes**
- 7. Which of the following is an essential component of RADV audit preparation?**
- A. Collecting patient referrals**
 - B. Maintaining up-to-date clinical documentation**
 - C. Focusing solely on financial data**
 - D. Reviewing external audits only**
- 8. What is the difference between a "prepayment" and "post-payment" audit?**
- A. Prepayment audits are conducted before payments are issued; post-payment audits occur afterward**
 - B. There is no difference**
 - C. Post-payment audits are more comprehensive than prepayment audits**
 - D. Prepayment audits target emergency services**
- 9. When a patient is documented with diabetes, CKD stage II and III, what should the coder do?**
- A. Report E11.22, N18.2, N18.30**
 - B. Report E11.22, N18.30**
 - C. Query the provider to determine if the diabetes is out of control**
 - D. Query the provider to determine the appropriate stage of CKD**

- 10. What role do health insurance providers have in the context of risk adjustment?**
- A. They are responsible for setting patient rates**
 - B. They must ensure accurate coding and data submission**
 - C. They provide medical care to patients directly**
 - D. They conduct audits themselves**

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Answers

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

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Explanations

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1. What type of training should staff receive to ensure readiness for a RADV audit?

- A. Training focused solely on financial outcomes**
- B. General training without specifics**
- C. Training on compliance and coding practices**
- D. Training only from external entities**

The correct choice emphasizes the need for comprehensive training that specifically addresses compliance and coding practices, which are critical components in preparing for a RADV audit. In a RADV audit, accuracy in data reporting directly influences the calculation of risk-adjusted premiums, so staff must be well-versed in how to code accurately and comply with regulations. Training that focuses on compliance ensures that staff understands the legal and regulatory standards that govern documentation and coding. In addition, it helps them grasp the importance of accurate data entry and the consequences of errors in coding, which can lead to significant financial repercussions during audits. This understanding prepares the team to respond effectively to audit inquiries and reinforces the integrity of the organization's reporting practices. On the other hand, training focused only on financial outcomes, general training without specifics, or training from external entities alone would not equip staff with the tailored knowledge of compliance and coding practices necessary for a successful RADV audit. Financial outcomes may reflect data quality but do not provide the depth of knowledge required for coding precision. General training lacks the specificity needed to handle the nuances of RADV audits, and while external training can be valuable, it should complement internal compliance training rather than serve as the sole resource.

2. Which of the following states how HCCs provide financial weighting in the risk adjustment process?

- A. A. HCCs are equal in weight across all diagnosis codes**
- B. B. Higher HCCs lead to lower risk adjustment factors**
- C. C. HCCs are linked through a hierarchical structure that affects risk scoring**
- D. D. HCCs must be supported by laboratory results to be valid**

HCCs, or Hierarchical Condition Categories, are essential in the risk adjustment process as they facilitate the determination of a patient's risk score, ultimately influencing how much financial reimbursement a healthcare provider receives. The correct answer indicates that HCCs operate within a hierarchical structure, meaning that certain conditions are prioritized over others based on their severity and importance in predicting healthcare costs. The hierarchical nature of HCCs allows for a more accurate reflection of the patient's health status, as it takes into account the interplay between various diagnoses. For instance, more severe conditions may overshadow less severe ones, ensuring that the risk adjustment factor is tailored specifically to the complexity of a patient's health. This means that when multiple HCCs are applied to a patient's profile, only the highest-ranked categories are considered, thereby maximizing the financial weighting for that patient's risk. The other options do not accurately represent how HCCs function within the risk adjustment framework. Treating all HCCs as equal ignores the varying levels of health complexity represented by different diagnoses. Stating that higher HCCs result in lower risk adjustment factors misrepresents the relationship, as higher HCCs are intended to reflect greater health needs and thus higher risk-adjustment scores. The assertion that HCCs must have

3. In the context of a RADV audit, which element is critical for supporting a diagnosis?

- A. A comprehensive billing statement**
- B. Provider's clinical notes**
- C. A signed attestation from the patient**
- D. An electronic communication record**

In the context of a RADV audit, the provider's clinical notes are essential for supporting a diagnosis. These notes offer a detailed account of the patient's medical history, symptoms, diagnostic processes, and the clinical reasoning behind the diagnosis. They provide the necessary context and justification for the codes submitted for reimbursement. Clinical notes are considered a primary source of documentation in healthcare. They reflect the provider's observations and assessments during patient encounters, and therefore, can substantiate the accuracy of the diagnoses reported. This documentation is vital during an audit, as it helps validate whether the diagnosis codes align with the patient's actual clinical condition and care received. In contrast, while a comprehensive billing statement, a signed attestation from the patient, and an electronic communication record may contain relevant information, they do not provide the in-depth clinical insight and rationale that the provider's notes deliver. Thus, these other forms of documentation support the process but do not carry the same weight in justifying a diagnosis during a RADV audit as the clinical notes do.

4. What can a provider do with predictive model information to decrease medical costs?

- A. Develop disease management education programs**
- B. Involve clinical staff to help with coordination of care**
- C. Refer the patients with chronic illnesses to be treated by another provider**
- D. Determine the return on investment when referring to a specialist for chronic illnesses**

A provider can utilize predictive model information to create disease management education programs, which is critical in decreasing medical costs. These programs are designed to educate patients about managing their conditions effectively, promoting better self-management practices that can lead to improved health outcomes. By proactively addressing patients' knowledge gaps and providing them with the tools and resources needed to manage their chronic conditions, providers can reduce the frequency and severity of medical interventions, hospitalizations, and overall healthcare expenditures. Additionally, education programs can lead to increased patient engagement and adherence to treatment plans. When patients are informed and involved in their care, they are more likely to make healthier choices, which can ultimately lower costs associated with complications or exacerbations of their conditions. In contrast, while involving clinical staff in care coordination is beneficial, and referrals to specialists can sometimes be necessary, these actions do not directly utilize predictive modeling data in a proactive educational capacity. Similarly, determining return on investment for referrals is a reactive approach that may not directly target the preventative strategies necessary for cost reduction.

5. Which statement about financial penalties after a RADV audit is correct?

- A. They are limited to individual members only**
- B. They can be averaged across the entire plan membership**
- C. They might be imposed over an extended period**
- D. They take into account recent patient admissions only**

The correct choice asserts that financial penalties from a RADV audit can be averaged across the entire plan membership. This is important because it reflects a broader approach to addressing the financial impact of the audit findings. Averaging penalties allows for a more equitable distribution of the financial burden among all members of the plan rather than targeting individual members, which could create significant challenges and disparities. This approach helps mitigate the potential financial strain on specific members and prevents disproportionate penalties that could arise from the audit's focus on particular cases or patients. It emphasizes the collective responsibility of the plan in managing risk adjustment data accurately and reinforces the idea that the audit's findings impact the entire organization rather than just isolated accounts. Considering this, the other options do not reflect the comprehensive nature of financial penalties as dictated by RADV audit regulations. For instance, penalties are not confined to just individual members, nor are they exclusively based on recent patient admissions, and while they may be reviewed over time, their application is broader and usually involves the totality of plan membership rather than just an averaged basis over an extended timeframe.

6. If a predictive model results indicate a member has a DME claim for oxygen, an Rx claim for a bronchodilator, and a medical claim which included a PFT, which diagnosis would you predict?

- A. Hypertension**
- B. Emphysema**
- C. CHF**
- D. Diabetes**

The correct diagnosis prediction is Emphysema because the combination of claims indicates respiratory issues consistent with that condition. Durable Medical Equipment (DME) claims for oxygen suggest a need for supplemental oxygen, which is often required in patients with chronic lung diseases, one of which is emphysema. Additionally, an Rx claim for a bronchodilator points to the use of medication to improve airflow by relaxing bronchial muscles, a common treatment for emphysema as well. The presence of a medical claim that includes a Pulmonary Function Test (PFT) further supports this, as PFTs are often conducted to assess lung function and diagnose various respiratory conditions, including emphysema. The other diagnoses listed do not correlate as closely with the claims provided. While hypertension, congestive heart failure (CHF), and diabetes can occur concurrently in various populations, they do not specifically align with the indicators presented by the DME, medication, and diagnostic test results that are clearly focused on respiratory health, thus making emphysema the most logical prediction.

7. Which of the following is an essential component of RADV audit preparation?

- A. Collecting patient referrals**
- B. Maintaining up-to-date clinical documentation**
- C. Focusing solely on financial data**
- D. Reviewing external audits only**

Maintaining up-to-date clinical documentation is crucial for RADV audit preparation because accurate and comprehensive clinical documentation serves as the foundation for validating risk adjustment data. This documentation provides the necessary evidence to support the diagnoses that have been submitted for risk adjustment purposes. When clinical records are current and reflect the patient's actual health status, it enhances the integrity of data submissions and supports compliance during audits. In the context of RADV, a thorough review of clinical documentation ensures that all relevant diagnoses are captured and substantiated with appropriate records. This not only helps in demonstrating the accuracy of the risk scores assigned but also prepares the organization for any potential inquiries or reviews by auditors. While collecting patient referrals, focusing on financial data, and reviewing external audits can be relevant in broader healthcare management and compliance contexts, they do not directly address the specific necessities of preparing for a RADV audit. The key focus in a RADV audit is on clinical accuracy and documentation support rather than these other elements.

8. What is the difference between a "prepayment" and "post-payment" audit?

- A. Prepayment audits are conducted before payments are issued; post-payment audits occur afterward**
- B. There is no difference**
- C. Post-payment audits are more comprehensive than prepayment audits**
- D. Prepayment audits target emergency services**

The distinction between prepayment and post-payment audits primarily lies in the timing of when these audits take place in relation to the actual payment process. Prepayment audits are conducted before payments are issued. This means that claims are reviewed and validated for accuracy, completeness, and adherence to billing guidelines prior to the financial transaction being completed. The intent is to prevent improper payments before they occur, thus mitigating financial risk. On the other hand, post-payment audits occur after payments have already been made. These audits assess the appropriateness of the claims that have been paid to ensure that funds were allocated correctly and that the claims met all necessary criteria after they have been processed. This type of audit can help identify any overpayments, fraud, or billing errors after the fact. Other options may imply nuances or specifics that do not accurately describe the fundamental difference, such as suggesting there is no difference or that one type of audit is inherently more comprehensive than the other. However, the core concept is centered around the timing of the audits concerning the payment process.

9. When a patient is documented with diabetes, CKD stage II and III, what should the coder do?

- A. Report E11.22, N18.2, N18.30**
- B. Report E11.22, N18.30**
- C. Query the provider to determine if the diabetes is out of control**
- D. Query the provider to determine the appropriate stage of CKD**

When documenting diabetes and chronic kidney disease (CKD), it's crucial for coders to ensure that the correct stage of CKD is used to accurately reflect the patient's condition. In this scenario, the presence of both CKD stage II and stage III raises a concern because only one stage should be reported based on the provider's documentation. Querying the provider to determine the appropriate stage of CKD is important because the coding guidelines require that the most accurate and specific diagnosis should be reflected in the medical record. This ensures that the coding aligns with the patient's current health status, which can impact treatment plans, risk adjustment factors, and insurance reimbursements. Coders need to have this information clarified to provide the most accurate coding for the patient's medical record. This approach prioritizes accuracy in coding, ultimately leading to better patient care and appropriate resource allocation. Other options may lack specificity or lead to errors in documentation, making it essential to confirm the accurate stage of CKD with the provider to ensure optimal coding practices.

10. What role do health insurance providers have in the context of risk adjustment?

- A. They are responsible for setting patient rates**
- B. They must ensure accurate coding and data submission**
- C. They provide medical care to patients directly**
- D. They conduct audits themselves**

Health insurance providers play a crucial role in the context of risk adjustment by being responsible for ensuring that the coding and data they submit are accurate. This is vital because risk adjustment relies heavily on the accurate representation of a patient's health status within the submitted data. Accurate coding captures the complexity and severity of patient conditions, which in turn influences reimbursement rates for the services provided. If health plans do not accurately code and submit data, it can lead to inappropriate payment adjustments, either over or under-compensation for the risk that a patient population carries. This aspect is critical not only for the financial viability of the insurance providers but also for ensuring that patients receive appropriate levels of care based on their specific health needs. While health insurance providers do interact with medical care and audits, those activities are not their primary responsibility in the context of risk adjustment. Their main focus is on ensuring that the information reported is reflective of the patient population they cover.

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://radvaudittraining.examzify.com>

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

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