

BTER Pre-Assessment/Assessment Questions (All Modules)

Module 6 - Joining a Practice		
No.	Question	Answer
1	Because medical practices are run by physicians, they are not recognized as small businesses.	False – Medical practices are, in fact, considered small businesses.
2	By definition, according to the Department of Labor, a small business generates less than 7 million dollars in annual revenues, though medical practices are classified as small businesses if they generate < 10 million dollars in annual revenues.	True
3	Conducting market research, including investigating the numbers of same-specialty physicians, patient demographics and the regional payor mix are essential steps that should be taken when joining any practice.	True
4	A practice's overhead ratio indicates how efficiently a practice utilizes the revenue that it collects.	True
5	Accounts Receivable are the accounts to which a practice owes money, such as outstanding bills for the rent, utilities, etc.	False - Accounts Receivable indicate accounts from which the practice should receive revenue, such as third party payors and patients.
6	Accounts Payable are the accounts, patients, insurance companies or other vendors, which owe the practice money.	False – Accounts Payable are the accounts to which a practice needs to pay money, such as expenses for the supplies, rent, utilities, etc.
7	The Gross Percentage Collections Ratio gives the most accurate indication of the level of efficiency in a practice's collection department	False - The Gross Percentage Collections Ratio is the amount of money billed out by the practice compared to the amount of money that is actually collected (revenue), reflecting how effectively the practice is getting paid for the work it does.
8	The Net Percentage Collections Ratio gives a less than accurate indication of how well a practice collects its outstanding revenue, and this ratio should be as close to 100% as possible.	False- The Net Collections Ratio gives the most accurate indication of a practice's collection efficiency, and this number should be very high, .9 or 90% or greater. This means that the practice is collecting 90 % or more of all of the revenue owed to the practice.