

QUIZ INSTRUCTIONS:

Complete the form online and click the SAVE button at the end of the quiz. Save the pdf to your computer. Email the pdf as an attachment to **ceu@thesupplycenter.com**. To fax or mail your answers, print the form after you have entered your responses.

The Supply Center
21301 Van Owen Street, Suite D
Canoga Park, CA 91303
818-710-6855 (fax)

QUIZ: Should I Sign Up with Those HMO's?

Name: _____ Date: _____

Street Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ E-mail: _____

CA Acupuncture Board License Number: _____

National Acupuncture Board License Number: _____

Credit Required? CA CEU NCCAOM

COURSE FEE: \$30.00

Payment Method: Bill to my credit card on file at The Supply Center

I will call The Supply Center with a credit card #

Pre-paid online payment

Check payable to The Supply Center, 21301 Van Owen Street,
Suite D, Canoga Park, CA 91303 is enclosed

REFUND POLICY: There is no refund for this course once the completed quiz is submitted to The Supply Center. If you do not pass the quiz, any re-take(s) is at the full price. If you agree to these terms, please sign or type your name below.

All questions must be answered in order to receive credit.

Questions: Should I Sign Up with Those HMO's?

1. True or False: Expenses that change depending on the number of patients seen defined as fixed expenses.
 - A. True
 - B. False

For questions two through nine, indicate which of the following expenses are either fixed or variable.

2. Malpractice Insurance
 - A. Fixed
 - B. Variable
3. Alcohol
 - A. Fixed
 - B. Variable
4. Letterhead and Envelopes
 - A. Fixed
 - B. Variable
5. Office staff salary
 - A. Fixed
 - B. Variable
6. Your salary
 - A. Fixed
 - B. Variable
7. Leases for equipment
 - A. Fixed
 - B. Variable

8. Acupuncture Needles

- A. Fixed
- B. Variable

9. Vitamins and Herbs

- A. Fixed
- B. Variable

You are looking to move into an office and begin practice. The following are the monthly expenses in the new location:

10. What is your total monthly expense for this office?

- A. \$ 4,200
- B. \$ 4,300
- C. \$ 4,400
- D. \$ 4,500
- E. \$ 4,600

Rent	\$ 1,000
Your Salary	\$ 3,000
Employee Salaries (None at this time)	\$ 0
Liability Insurance	\$ 50
Malpractice Insurance	\$ 50
Telephone	\$ 100
Medical Supplies	\$ 100
Office Supplies	\$ 100

11. Based on the answer in question number 10, what is the cost per patient at a volume of 30 patients per week? (Hint: use 4.33 to convert weeks into months).

- A. \$ 36.66
- B. \$ 33.87
- C. \$ 146.66
- D. \$ 35.50
- E. \$ 30.00

12. Your practice has grown and you need to hire a receptionist at \$8.04 per hour. When you add the 15% you as the employer pays in addition for Medicare, social security, etc. the actual wage is \$9.24 per hour. The receptionist will work 40 hours per week. The other expenses in question #10 remain the unchanged. What is your total expense for this office with the additional staff member?
- A. \$ 5,000
 - B. \$ 5,500
 - C. \$ 6,000
 - D. \$ 6,500
 - E. \$ 7,000
13. Compute the cost per patient using your total expense in question #12 with the following patient volume per week. (Hint: use 4.33 to convert weeks to month and assume your variable costs remain unchanged). At 20 visits per week, the cost per patient is:
- A. \$ 50.80
 - B. \$ 69.28
 - C. \$ 300.00
 - D. \$ 55.00
 - E. \$ 45.00
14. At 30 visits per week, the cost per patient is:
- A. \$ 200.00
 - B. \$ 50.00
 - C. \$ 46.19
 - D. \$ 43.29
 - E. \$ 40.91
15. At 40 visits per week, the cost per patient is:
- A. \$ 37.50
 - B. \$ 150.00
 - C. \$ 39.25
 - D. \$ 45.00
 - E. \$ 34.64

16. At 50 visits per week, the cost per patient is:
- A. \$ 25.66
 - B. \$ 120.00
 - C. \$ 30.33
 - D. \$ 27.71
 - E. \$ 45.25
17. In the above situation, as the patient volume increases, the cost per patient
- A. Increases
 - B. Decreases

Questions 18 to 26 -- If your patient volume is 30 patients visits per week, assuming the total expenses in question #12 remains unchanged, would you lose money on the HMO fee structure that pays:

18. \$20 per visit maximum
- A. Yes, I will lose money if I sign up with that HMO fee structure.
 - B. No, I will not lose money if I sign up with that HMO fee structure.
19. \$30 per visit maximum
- A. Yes, I will lose money if I sign up with that HMO fee structure.
 - B. No, I will not lose money if I sign up with that HMO fee structure.
20. \$40 per visit maximum
- A. Yes, I will lose money if I sign up with that HMO fee structure.
 - B. No, I will not lose money if I sign up with that HMO fee structure.
21. \$50 per visit maximum
- A. Yes, I will lose money if I sign up with that HMO fee structure.
 - B. No, I will not lose money if I sign up with that HMO fee structure.

22. Because of your increased patient volume of 20% from the HMO and the additional paperwork needed for each HMO patient, you need to hire an office manager. You hire this person at \$10.04 per hour but when you add the 15% for the employer portion the wage is actually \$11.55 per hour. The office manager is working 40 hours per week. What is your new total monthly expense?
- A. \$ 8,000
 - B. \$ 8,500
 - C. \$ 7,000
 - D. \$ 7,500
 - E. \$ 9,000
23. Compute the cost per patient for this space if you see 36 patients per week with the new monthly expense computed in question #22. (This is the 20% more patients per week the HMO said you were going to see.)
- A. \$ 60.48
 - B. \$ 55.55
 - C. \$ 266.66
 - D. \$ 51.32
 - E. \$ 61.59
24. The HMO promised more patients. Now you have 36 patient visits per week (20% more than the 30 patients per week before the HMO). Is your cost per patient more or less with the additional office manager and the monthly expense computed in question number 22?
- A. The cost per patient is now more at 36 patients per week than at 30 patient's visits per week and no office manager.
 - B. The cost per patient is now less at 36 patients per week than at 30 patients per week with no office manager.

25. You decide to sign up with the HMO and hired an office manager to handle the additional paperwork. You treat 36 patients per week at \$50 per visit. What is your net income at month's end? (Net income is the total monthly income minus the total monthly expenses.) (Note: use the answer in question 22 as your monthly expense because you hired an office manager)
- A. plus \$ 100 (made money)
 - B. plus \$ 800 (made money)
 - C. plus \$ 206 (made money)
 - D. minus \$800 (lost money)
 - E. minus \$206 (lost money)
26. You decided NOT to sign up with the HMO and thus did not hire an office manager to handle the additional paperwork. You treat 30 patients per week at \$65 per visit as your usual fee; no HMO reduction. What is your net income at month's end? (Net income is the total monthly income minus the total monthly expenses.) (Note: use the answer in question 12 for your total monthly expenses because you did not hire an office manager.)
- A. plus \$2,443.50 (made money)
 - B. plus \$1,800.00 (made money)
 - C. plus \$ 495.25 (made money)
 - D. minus \$ 395.50 (lost money)