

**BACHELOR OF MEDICAL RECORD SCIENCE DEGREE
EXAMINATION**

(For candidates admitted from 2006-07 onwards)

Second Year

**Paper IV – HOSPITAL ACCOUNTING AND FINANCIAL ACCOUNTING
HEALTH INSURANCE BILLING**

Q.P. Code : 704919

Time : Three hours

Maximum : 100 marks

Answer ALL questions

I. Essays:

1. The following information has been obtained from the cost records of Modern Works Ltd., for the three months ending 31st March 2008 prepare a cost sheet showing (a) Prime cost b) Factory cost c) Cost of Production d) Cost of sale e) Profit or Loss. (20)

	Rs.		Rs.
Direct Materials	2,00,000	Direct Wages	50,000
Direct Expenses	10,000	Wages of foreman	5,000
Electric Power	1,000	Carriage Outward	750
Depreciation		Lighting : Factory	3,000
Factory	1,000	Office	1,000
Office	2,500	Manager Salary	10,000
Director Fees	10,000	Office Stationary	1,000
Store Keeper wages	2,000	Telephone charges	250
Oil and Water	1,000	Postage and Telegrams	500
Sales man salaries	2,500	Traveling Expenses	1,000
Advertisement	2,500	Ware House charges	1,000
Rent : Factory	10,000	Sales	3,50,000
Office	5,000		
Repairs & Maintenance			
Factory	7,000		
Office	1,000		

2. Journalize the following transactions and prepare a Trial Balance. (15)

	Rs.
1. Purchased furniture for cash	4,000
2. Purchased good for cash	9,000
3. Sold goods for cash	7,000
4. Purchased machinery from Precision machines Ltd	9,000
5. Purchased goods on credit from Hari	6,000
6. Sold goods to Ravi	8,000
7. Cash paid to Precision machines	9,000
8. Paid to Hari	4,500
9. Received cash from Ravi	6,500

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10. Salary paid	1,200
11. Cash paid to Bank	2,800
12. Received Commission	200

3. From the following particulars relating to material Y, show how the value of issue should be arrived at under FIFO method with help of stores ledger. (15)

Receipts		Issued	
03.10.2007	Purchased 500 units @ Rs.4.00	05.10.2007	Issued 400 Units
13.10.2007	Purchased 900 units @ Rs.5.00	15.10.2007	Issued 600 Units
23.10.2007	Purchased 600 units @ Rs.6.00	25.10.2007	Issued 600 Units

II. Write short notes on:

(6x5=30)

1. From the following data for the year ending 31.03.2007 for X & Co., Compute;
- a) Prime Cost b) Cost of good sold c) Average Inventory

Opening Stock	Rs. 40,000
Purchases during the year	Rs.2,08,000
Closing Stock	Rs. 24,000
Direct Wages	Rs. 10,000
Direct Expenses	Rs. 20,000

2. What are the different methods of issuing materials from stores?
3. What are the different methods of depreciation?
4. Critically evaluate "Health Insurance"?
5. What is MOU? Discuss the process of MOU?
6. Explain health insurance in India.

III. Short answer questions:

(10x2=20)

1. What do you mean by denial/authorization?
2. What is T.P.A? What is the difference between TPA and Insurance Company?
3. What do you mean by co-payment and deductible? How do they differ?
4. How does billing and insurance billing differ?
5. What do you mean by elements of cost?
6. What are the different rules for debit and credit?
7. What do you mean by depreciation?
8. What are the different methods of stock level?
9. What do you mean by ratio analysis?
10. What is the use of computers in accounting?

February 2011

[KY 869]

Sub. Code : 4919

BACHELOR OF MEDICAL RECORD SCIENCE DEGREE EXAMINATION.

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Second Year

Paper IV — HOSPITAL ACCOUNTING AND FINANCIAL ACCOUNTING
HEALTH INSURANCE BILLING

Q. P. Code : 704919

Time : Three hours

Maximum : 100 marks

Answer ALL questions.

I. Essays :

1. Give Journal Entries for the following Transactions. (10 × 2 = 20)

(a) Purchased goods for cash Rs. 2,000

(b) Purchased goods from Ravi for cash Rs. 4,000

(c) Purchased goods from Senthil Rs. 2,000

(d) Purchased Machinery for cash Rs. 6,000

(e) Sold goods for cash Rs. 8,000

(f) Sold goods to Gopu Rs. 9,000

(g) Sale of Machinery Rs. 2,000

(h) Insurance paid Rs. 2,000

(i) Salary Paid Rs. 3,500

(j) Paid wages to sathish Rs. 4,500

2. From the following particulars of "XYZ" Ltd. Prepare a priced ledger under FIFO method. (15)

	Receipts	Rate	Issued
	(Nos)	(Rs.)	(Nos)
3rd December 2010	800	2.00	—
4th December 2010	—	—	300
7th December 2010	600	2.50	—
8th December 2010	200	1.50	—
12th December 2010	—	—	500
24th December 2010	—	—	200
28th December 2010	300	2.00	—
30th December 2010	—	—	300

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3. From the following data extracted from “Ruby hospital” Ltd. you are asked to prepare a general cost sheet : (15)

	Rs.
Direct materials	1,00,000
Direct labour	80,000
Direct expenses	20,000
Factory lighting	6,000
Factory supervisor salary	4,000
Factory rent	2,200
Office Manager salary	8,000
Office Rent	3,000
Printing and Stationary	2,000
Postage expenses	800
Audit fees	1,000
Salesman salaries	5,000
Delivery Van charges	2,000
Salesman commission	10,000

Note : Profit margin 10% on Total cost.

- II. Write short notes on : (6 × 5 = 30)

- The following information is available in respect of a particular material.
Reorder quantity – 2,000 units
Maximum consumption – 500 units per week
Minimum consumption – 200 units per week
Normal consumption – 250 units per week
Re-order period – 3 to 5 week.
Calculate the following :
 - Reorder level
 - Minimum stock level.
- Write short notes on any two of the following :
 - Elements of Cost
 - Direct cost
 - Objectives of cost accounting.
- Calculate value of material consumed and average stock from the following details
Opening stock – Rs. 2,00,000
Closing stock – Rs. 1,00,000
Purchase – Rs. 4,50,000
- A brief note on the history of health insurance?
- A brief note on effective health insurance.
- Relevance of auditing in health insurance.

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III. Short answer questions : (10 × 2 = 20)

1. What is T.P.A.? What is the difference between TPA and Insurance company?
 2. What do you mean by co-payment and deductible? How do they differ?
 3. How does billing and insurance billing differ?
 4. What do you mean by elements of cost?
 5. What are the different methods of stock level?
 6. What is the use of computers in accounting?
 7. What do you mean by PAF?
 8. What are the different types of accounts?
 9. Write three examples of fixed assets.
 10. What do you mean by prime cost?
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August 2011

[KZ 0811]

Sub. Code: 4919

BACHELOR OF MEDICAL RECORD SCIENCE (B.M.R.SC.,)

SECOND YEAR

PAPER IV – HOSPITAL ACCOUNTING AND FINANCIAL ACCOUNTING

HEALTH INSURANCE BILLING

Q.P. Code : 704919

Time : Three hours

Maximum : 100 marks

Answer All questions.

I. Elaborate on :

(3 x 10 = 30)

1. Give Journal Entries for the following Transactions.
 - a) Purchased goods for cash Rs.2,000
 - b) Purchased goods from Ravi for cash Rs.4,000
 - c) Purchased goods from Senthil Rs.2,000
 - d) Purchased Machinery for cash Rs.6,000
 - e) Sold goods for cash Rs.8,000
 - f) Sold goods to Gopu Rs.9,000
 - g) Sale of Machinery Rs.2,000
 - h) Insurance paid Rs.2,000
 - i) Salary Paid Rs.3,500
 - j) Paid wages to Sathish Rs.4,500
2. From the following particulars of “XYZ”Ltd., Prepare stores Ledger account under the “FIFO” method.

	Receipts	Rate (Rs.)	Issue
3 rd December 2010	800	2.00	---
4 th December 2010	---	---	300
7 th December 2010	600	2.50	---
8 th December 2010	200	1.50	---
12 th December 2010	---	---	500
24 th December 2010	---	---	200
28 th December 2010	300	2.00	---
30 th December 2010	---	---	300

3. From the following data extracted from “Ruby hospital” Ltd., prepare a General Cost Sheet.

Direct Materials - Rs. 1,00,000/-

Direct Labour - Rs. 80,000/-

Direct Expenses - Rs. 20,000/-

Factory Lighting - Rs. 6,000/-

Factory Supervisor Salary - Rs. 4,000/-

Factory Rent - Rs. 2,200/-

Office Manager Salary - Rs. 8,000/-

Office Rent - Rs. 3,000/-

Printing and Stationery - Rs. 2,000/-

Postage Expenses - Rs. 800/-

Audit fees - Rs. 1,000/-

(PTO)

Salesman salaries - Rs. 5,000/-
Delivery Van Charges - Rs. 2,000/-
Salesman Commission - Rs. 10,000/-

Note: Profit margin 10% on Total Cost.

II. Write notes on :

(8 x 5 = 40)

1. The following information are available in respect of a particular material.

Reorder Quantity; 2,000 units
Maximum consumption: 500 units per week
Minimum consumption: 200 units per week
Normal consumption; 250 units per week
Re-order period; 3 to 5 week

Calculate the following

- (1) Re order level
- (2) Minimum stock level

2. Write short notes on any two of the following:

- (i) Elements of Cost.
- (ii) Direct Cost.
- (iii) Objectives of Cost Accounting.

3) Calculate value of material consumed and average stock from the following details; -

Opening Stock Rs. 2,00,000
Closing Stock Rs. 1,00,000
Purchase Rs. 4,50,000

4) An asset is purchased for Rs.25,000. Depreciation is to be provided annually according to the straight line method. The useful life of the asset is 10 years and the residual value is Rs.5,000. You are required to find out the rate of depreciation.

5) Write a brief note on the history of health insurance.

6) Define effective health insurance.

7) Briefly explain the relevance of auditing in health insurance.

8) What do you mean by Prime cost?

III. Short Answers on :

(10 x 3 = 30)

1. What is T.P.A? What is the difference between TPA & Insurance Company?
2. What do you mean by co-payment and deductible? How do they differ?
3. How does billing and insurance billing differ?
4. What do you mean by elements of cost?
5. What are the different methods of stock level?
6. What are the uses of computers in accounting?
7. What do you mean by PAF?
8. What are the different types of Accounts?
9. Write three examples of fixed Assets.
10. What do you mean by factory cost?
