

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

**FOURTH YEAR EXAMINATION FOR THE AWARD OF DEGREE
OF BACHELOR OF ARTS (GENERAL), BACHELOR OF ARTS (ECONOMICS
AND SOCIOLOGY) & BACHELOR OF SCIENCE (ECONOMICS AND
STATISTICS)**

ECON 454: HEALTH ECONOMICS

STREAMS: BA (ECON & SOCI), BSC (ECOSTAT) (Y4S2) TIME: 2 HOURS

DAY/DATE: WEDNESDAY 11/4/2018

8.30 A.M. – 10.30 A.M.

INSTRUCTION: ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- (a) Discuss the following terms as used in health economics and give examples where applicable. [10 marks]
- (i) Healthcare
 - (ii) Supplier induced demand
 - (iii) Moral hazard
 - (iv) Adverse selection
 - (v) Externalities
- (b) Critically examine the 3 perspectives of health. [10 marks]
- (c) Improved healthcare can be considered as a precondition for economic development. Discuss [10 marks]

QUESTION TWO (20 MARKS)

- (a) Discuss the factors that influence access to healthcare. [5 marks]
- (b) Discuss 7 factors that distinguish health from other goods. [15 marks]

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QUESTION THREE (20 MARKS)

- (a) Discuss causes of market failure in the healthcare market. [10 marks]
- (b) Discuss the factors that determine demand and supply of healthcare.[10marks]

QUESTIONFOUR (20 MARKS)

- (a) Discuss the factors influencing healthcare financing. [10 marks]
 - (b) Explain the following forms of efficiency in healthcare. [6 marks]
 - (i) Technical efficiency
 - (ii) Cost effectiveness
 - (iii) Allocative efficiency
 - (c) Discuss types of health insurance. [4 marks]
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