

CHUKA

UNIVERSITY



UNIVERSITY EXAMINATIONS

**EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF
SCIENCE IN HEALTH RECORDS AND INFORMATION MANAGEMENT**

HRIM 488: HEALTH ECONOMICS

STREAMS: BSC. HRIM

TIME: 2 HOURS

DAY/DATE: MONDAY 14/04/2025

2.30 P.M. – 4.30 P.M.

INSTRUCTIONS

- 1. Do not write anything on the question paper.**
- 2. Mobile phones and any other reference materials are NOT allowed in the examination room.**
- 3. The paper has three sections. Answer ALL questions in Sections I, II and III.**
- 4. All your answers for Section I (MCQs) should be on one page.**
- 5. Number ALL your answers and indicate the order of appearance in the space provided in the cover page of the examination answer booklet.**
- 6. Write your answers legibly and use your time wisely**

SECTION 1: MULTIPLE CHOICE QUESTIONS [10 MARKS]

1. Which of the following is **NOT** a reason for increased health spending:
 - [a] People are dying earlier
 - [b] People spend more on their health as their income increases
 - [c] The average age of the population is rising
 - [d] People are living longer
2. Which of the following seeks to measure the benefits to individuals of additional life years following a medical intervention?
 - [a] Cost minimization
 - [b] Cost utility analysis
 - [c] Profit maximization
 - [d] Quality adjusted life years

3. QALY stands for
 - [a] Quality Adjusted Long Youth
 - [b] Quality Adjusted Life Year
 - [c] Quantity Adjusted Life Year
 - [d] None of these
4. It is the statistical study of human population.
 - [a] Gender economics
 - [b] Health economics
 - [c] Demography
 - [d] None of the above
5. In healthcare market, if supply increases, demand.....
 - [a] Increases
 - [b] Decreases
 - [c] First increase then decrease
 - [d] Remains the same
6. The benefits associated with the best alternative use of resources is called
 - [a] Health economics
 - [b] Opportunity cost
 - [c] Alternative activities
 - [d] Health resources
7. Burden of disease is measured by
 - [a] Disability Adjusted Life Years (DALY)
 - [b] Physical Quality of Life Years (PQLY)
 - [c] Health Adjusted Life Years (HALE)
 - [d] None of the above
8. Planning a new hospital starts with setting goals for the hospital, without which the organization cannot have a definite direction or focus. Which of the following areas is not considered by an organization while studying existing hospital facilities in an area?
 - [a] Bed ratio
 - [b] Hospital occupancy
 - [c] Physical condition of facilities
 - [d] Perception of patients

9. _____ refers to a hospital/health care provider enlisted by an insurer to provide medical services to an insured on payment by a cashless facility
- [a] Day care centre
 - [b] Network provider
 - [c] Third Party Administrator
 - [d] Domiciliary
10. _____ refers to the application of consumer-oriented marketing techniques in the design, implementation and evaluation of programmes aimed towards influencing behaviour change.
- [a] Health education
 - [b] Social marketing
 - [c] Consumer health
 - [d] None of these

SECTION II: SHORT ANSWER QUESTIONS [40 MARKS]

1. Distinguish between
 - a. Gross National Product (GNP) and Gross Domestic Product (GDP) [2 marks]
 - b. Poverty line and per capita income [2 marks]
2. Highlight three (3) factors under which the rate of depletion of resources is dependent on as described in tragedy of commons [3 marks]
3. Highlight three (3) objectives of costing healthcare [3 marks]
4. Outline four (4) functions of healthcare financing [4 marks]
5. Outline four (4) ethical principles that are considered in healthcare marketing [4 marks]
6. List six (6) areas that health economics addresses in healthcare provision [6 marks]
7. Describe the four (4) factors affecting elasticity of supply in health care provision [8 marks]
8. Explain four (4) factors that affect the interaction between demand and supply [8 marks]

SECTION III: LONG ANSWER QUESTIONS (Choose one question) [20 MARKS]

1. Economic evaluation refers to the comparative analysis of alternative courses of action in terms of cost and consequences. Compare and contrast the different types of economic evaluation methods used in healthcare, outlining the strengths and weaknesses of each method. [20 marks]

2. Demand for healthcare services is uncertain, irregular and unpredictable. Discuss exhaustively factors that influence demand for healthcare in Kenya. [20 marks]

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