



TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF APPLIED AND HEALTH SCIENCES
DEPARTMENT OF ENVIRONMENT & HEALTH SCIENCES

**UNIVERSITY EXAMINATION FOR:
BACHELOR OF SCIENCE IN COMMUNITY HEALTH/BACHELOR OF SCIENCE
ENVIRONMENTAL HEALTH
BSCH/BSEH 2020S&2021J/YEAR 4/SEMESTER 2**

APH 4408: HEALTH CARE FINANCING & ECONOMICS

END OF SEMESTER EXAMINATION

SERIES: AUGUST 2024

TIME: 2 HOURS

Instructions to Candidates

This paper consists of FIVE questions

Answer question ONE (COMPULSORY) and any other TWO questions.

This paper consists of two printed pages.

Mobile phones are NOT allowed in the examination room

QUESTION ONE [COMPULSORY]

(30 MARKS)

a). Define the following terms as used in health economics.

i) Demand curve (2mks)

ii) Price elasticity of supply (2mks)

iii). Outline factors that affect production of health (2marks)

b). Explain the meaning of "Utility Maximum Rule "in health economics (4marks)

c) State THREE different ways by which improved health programmes can accelerate development (3marks)

d) Briefly explain the two criteria for assessing allocation system in Health economics (4marks)

d) Define the terms net present value and discount rate (2mks)

e) Briefly explain the characteristics of medical services (4mks)

- f) Briefly explain the cause market failure in the private health sector (3 marks)
- g). State reasons why health care market is always different (4 marks)

QUESTIONS TWO

- a). Define and explain the concept of elasticity of demand (10 marks)
- b) Use a well labeled diagram to explain the market equilibrium (10marks)

QUESTIONS THREE

In per suit of efficiency in health care sector requires priorities to be given to those treatments which provide the greatest benefits per unit of cost. In line of this statement, discuss in detail the methods used in economic Analysis (20 marks)

QUESTIONS FOUR

- a). Describe THREE categories of costs in health care or program (12 marks)
- b). "Economic evaluation of health projects typically reports the cost per unit of achieving some measure of health outcome". Using this phrase explain the meaning and importance of disability adjusted life years (DALYs) (8 marks)

QUESTIONS FIVE

- a). Discuss the four characteristics that distinguish medical goods from other goods (8 marks)
- b) With reference to the figure below, the increase in marginal product of medical care brought about by the medical technology causes the marginal product curve to shift to the right. Discuss (12 marks)



