



AMREF INTERNATIONAL UNIVERSITY
SCHOOL OF PUBLIC HEALTH
DEPARTMENT OF HEALTH SYSTEMS MANAGEMENT AND DEVELOPMENT
BACHELOR OF SCIENCE IN HEALTH SYSTEMS MANAGEMENT AND
DEVELOPMENT
END OF SEMESTER EXAMINATION APRIL 2024

HMD 135: HEALTH ECONOMICS

Date : April, 2024

TIME : Two (2) Hours

Instructions

- 1) This paper has two sections; Section A and Section B. Answer **ALL** questions in Section A
- 2) For Section B, answer any two (2) questions of your choice
- 3) Use the university examination booklets provided
- 4) Write your student registration number on all your answer sheets
- 5) **Importance is attached to clarity and logical explanation of your answers.**

SECTION A: ANSWER ALL QUESTIONS (30 MARKS)

QUESTION ONE

- a) List four measures combining mortality and non-fatal outcomes applicable in healthcare (4 marks)
- b) Outline five factors that influence supply of labor in the healthcare market (5 marks)
- c) Define the following terms as used in health economics. (5 marks)
 - i. Risk pooling
 - ii. Equity
 - iii. Marginal costs
 - iv. Opportunity cost
 - v. Price Elasticity
- d) State four market structures applicable in economics (4 marks)
- e) List four roles of economics in the health sector (4 marks)
- f) Highlight the four basic laws of supply and demand in health economics (4marks)
- g) Outline four mechanisms of healthcare financing in Kenya (4 marks)

SECTION B: ANSWER ANY TWO QUESTIONS ONLY (40MARKS)

QUESTION TWO

- a. Economics is a field divided into various categories. With relevant examples, discuss the branches of economics (10 marks)
- b. Using examples, discuss types of price discrimination in economics (10 marks)

QUESTION THREE

- a. Discuss the types of economic valuation applicable in healthcare services. (10 marks)
- b. Demand is the desire to own anything, the ability to pay for it, and the willingness to pay for it. With the help of a diagram explain the demand and supply curve. (10 marks).

QUESTION FOUR

- a. Discuss how health and economic performance influence each other. (10 marks)
- b. Explain the meaning of price elasticity of demand (2 marks)
- c. Demand for goods and service is affected by various factors. With relevant examples explain four factors that affect demand for healthcare. (8 marks)

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