



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 SECOND SEMESTER EXAMINATION MAY-AUGUST 2024
HMD 225 : HEALTH RISK AND INSURANCE MANAGEMENT

Date : August 2024

TIME : Two (2) Hours **Start:** **End:**

INSTRUCTIONS TO CANDIDATES

- 1) This exam is out of 70 marks
- 2) Section-A is compulsory with a Total of 30 Marks
- 3) Answer any TWO (2) questions in Section B

SECTION A (COMPULSORY - 30 MARKS)

1. Distinguish between the term risk, peril and hazard as used in risk management. (6 marks)
2. State six steps of risk management process in a health organization. (6 marks)
3. Outline five tools health organizations can use to identify risks affecting them. (5 marks)
4. Highlight five ways health organizations can use to manage their risks. (5 marks)
5. Explain the meaning of the following terms as used in insurance;
 - a. Insurer (2 marks)
 - b. Insured (2 marks)
 - c. Premium. (2 marks)
 - d. Policy. (2 marks)

SECTION B: (40 MARKS)

6. Risks in healthcare operations can have profound and far reaching effects. Proactive risk management and mitigation strategies are essential to minimize these risks.
 - a) Explain five effects of risks on healthcare operations. (10 marks)
 - b) Discuss five strategies that healthcare organizations can implement to manage and mitigate these risks. (10 marks)
7.
 - a) Insurance operates on several fundamental principles. Explain five such principles of insurance. (10 marks)
 - b) Health insurance markets involve a variety of practices that are designed to provide coverage for medical expenses while managing risk for insurers. Explain five such practices in Kenya. (10 marks)
8.
 - a) In a healthcare facility a risk manager plays a crucial role in the organization. Discuss five such roles of a risk manager. (10 marks)
 - b) Distinguish between Health Maintenance Organization (HMO) and Preferred Provider Organization(PPO) as types of health insurance policies and coverage options. (10 marks)
9. a) Describe the following structure of healthcare financing models.

- i) Bismarck model. (5 marks)
- ii) National Health Insurance Model. (5 marks)
- iii) Out-of-Pocket Model. (4 marks)
- b) Explain three characteristics of an insurable risk. (6 marks)

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