



AMREF INTERNATIONAL UNIVERSITY
SCHOOL OF PUBLIC HEALTH
DEPARTMENT OF HEALTH SYSTEMS MANAGEMENT AND DEVELOPMENT
MASTER OF SCIENCE IN HEALTH SYSTEMS MANAGEMENT
END OF SEMESTER EXAMINATION AUGUST 2025

UNIT CODE: HSM 720 **UNIT NAME:** HEALTH ECONOMICS
DATE: 5 AUGUST, 2025
TIME: Three Hours **Start:** 5:30 PM **Finish** 8:30 PM

INSTRUCTIONS

1. This exam is marked out of 100 marks
2. This Examination comprises TWO Sections
Section A: Compulsory Question (25 marks)
Section B: Long Answer Questions (75 marks)

SECTION A: COMPULSORY (25 Marks)

Short Answer Questions

1. Explain five factors influencing the demand for healthcare services. (5 marks)
2. Discuss the concept of supplier-induced demand in how the healthcare providers influence the demand for their services? (5 marks)
3. Describe five ethical considerations in health economics (5 marks)
4. Describe five reasons for market failure in health care (10 marks)

SECTION B

ANSWER ANY THREE (3) QUESTIONS (75 Marks)

Long Answer Questions

5. Discuss five factors on how health influences each of the listed objectives below in low and middle income (LMIC) countries:

- a. Productivity, (5 Marks)
 - b. Human capital, (10 Marks)
 - c. Economic growth, (10 Marks)
6. Discuss by the assistance of examples three types of economic evaluations in healthcare (25 marks)
 7. Explain five reasons for government intervention in the health care market as a regulator and provider (25 marks).
 8. Explain using five relevant examples the relationship between health and health care (25 marks).

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