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MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY

(MMUST)

MAIN CAMPUS

UNIVERSITY EXAMINATIONS

MAIN EXAM

2023/2024 ACADEMIC YEAR

FOURTH YEAR FIRST SEMESTER EXAMINATION

FOR THE DEGREE OF BACHELOR OF SCIENCE IN EPIDEMIOLOGY AND  
BIOSTATISTICS

COURSE CODE: HEM 412

COURSE TITLE: HEALTH ECONOMICS

DATE: 5/12/2023

TIME: 2.00-4.00 pm

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**INSTRUCTIONS:**

- This paper consists of Two [2] sections A, and B
- Each section has relevant instructions. Read the instructions specific for each section carefully, and answer the questions accordingly

MMUST observes ZERO tolerance to examination  
cheating

This Paper Consists of 2 Printed Pages. Please Turn Over

Instructions:

Answer question one and any other two

Use illustrations where necessary

QUESTION ONE [40 MARKS]

- a) Explain the following concepts as used in health economics
  - i. Production function
  - ii. Vertical Equity
  - iii. Morbidity rate
  - iv. Marginal utility (8 marks)
- b) Describe three determinants of demand ( 6 marks)
- c) Explain Health Care Financing receiving a lot of attention in Kenya health care system (6 marks)
- d) Explain strategies of improving health care efficiency. (4 marks)
- e) Briefly explain reasons why need for health care far exceeds the effective demand for it includes. (4 marks)
- f) Explain the determinants of supply of health care (4 marks)
- g) List ways cost of health care can be contained. (4 marks)
- h) List four basic types of market structures. (4 marks)

QUESTION TWO [15 MARKS]

Explain the importance of health economics. (15 marks)

QUESTION THREE [15 MARKS]

Economic Evaluation is an important phenomenon. Write a comprehensive note on its scope and importance. Give suitable examples from daily life to support your answer. (15 marks)

QUESTION FOUR [15 MARKS]

To economists, human life is not of infinite value.” Explain this statement, and discuss how estimates of the ‘value of life’ are arrived at. (15 marks)