



UNIVERSITY EXAMINATIONS
FOURTH YEAR EXAMINATION FOR THE AWARD OF THE DEGREE
OF BACHELOR OF SCIENCE IN PUBLIC HEALTH
FIRST SEMESTER 2022/2023
[JAN – APRIL, 2023]

PHES 404: HEALTH ECONOMICS

STREAM: Y4 S1

TIME: 3 HOURS

DAY: FRIDAY, 2:00 – 5:00 P.M.

DATE: 31/04/2023

INSTRUCTIONS:

- 1. Do not write anything on this question paper.***
- 2. Answer ALL questions in Section A, In Section B, answer question 1 and any other TWO questions.***
- 3. Use diagrams/illustrations and relevant examples to elucidate your answers***

QUESTION ONE :(COMPULSORY) 40 MARKS.

- Explain the meaning of Economics and Health economics (4 marks)
- Explain the relations of the following concepts; efficiency and Marginal rate of Transformation, wants, scarcity, choice and opportunity cost. (5 marks)
- Explain the factors which determine supply of Health care in Kenya (6 marks)
- Identify and explain health effect of environmental pollution in Kenya

(6 marks)

e) Explain the health care financing mechanism in Kenya. (6 marks)

f) Demonstrate the shift of the demand curve. Which factors influence the shift of a demand curve? (10 marks)

e) Explain externalities in health care services. (3 marks)

ANSWER ANY TWO QUESTIONS FROM THIS SECTION (30 MARKS)

QUESTION TWO

a) By the use of a diagram illustrate the movement along the supply curve in an economy (10 marks)

b) Explain the factors which affect the health status of an individual (5 marks)

QUESTION THREE

a) Discuss the types of health costs which are experienced by the patient and provider. (10 marks)

b) What determines poor health of a community) (10 marks)

QUESTION FOUR

a) Identify and explain the factors which influence the supply of health service. Illustrate the movement along the supply curve (10 marks)

b) What is a health care market failure? Identify and explain any three elements which constitute health care market failure (10 marks)

QUESTION FIVE

a) Explain the urgency relationship in health care? Why does it exist? (5 marks)

b) Use production possibilities frontier diagram to demonstrate inefficient, efficient and desired points of production of services in a hospital. (10 marks)