IIHMR UNIVERSITY

Institute of Health Management Research

MBA Hospital and Health Management

Batch-23 (2018-2020)

First Year

ESSENTIALS OF HEALTH ECONOMICS AND FINANCING

Term Examination

Time - 3 Hour **MM-70**

The question paper contains __2_ printed pages.

Please attempt any 7 questions out of 10. Each question carries 10 marks.

Q. 1 Define and explain the following concepts through graphs:

(a) Change in supply vs. Change in quantity supplied

(b) Consumer surplus vs. Producer surplus

(c) Rate of technical substitution vs. Return to scale

Q. 2 Write short notes on the following:

(a) QALY

(b) DALY

Q. 3 Fill-in the blanks for the following:

Indicators	NHA India 2004-05	NHA India 2013-14
Total health expenditure as a % of GDP		
Total government health expenditure as a % of total health expenditure		
Out-of-pocket health expenditure as a % of total health expenditure		
Private health insurance as a % of total health expenditure		
Social health insurance expenditure as a % of total health expenditure		

Q. 4 Explain the linkage between the frameworks of health systems and health accounts.

Q. 5 How does insurance affect the demand for health care? Explain the effects of coinsurance, indemnity insurance, fixed $ copayment and zero copayment on demand for health care.

Q. 6 Illustrate the distinction between Average and Marginal Benefits, through a numerical example (hypothetical) of two public health programmes

Q. 7 Discuss briefly the following in the context of 'Health, Economics and Social Choice':

(a) Health or other goals?

(b) Medical care or other health programs?

(c) Physicians or other medical care providers?

(d) How much equality? How to achieve it?

(e) Today or tomorrow

(f) Your life or mine?

(g) The Jungle or the Zoo

Q. 8 The following table provides data on Costs and Outcomes for alternative diagnostic strategies for 516 patients with clinically suspected deep-vein thrombosis.

Programme	Costs ($ US)	Outcomes (No. of correct diagnoses)
1. IPG alone	201466	104
2, IPG plus out-patient venography if IPG negative	383534	186

(a) Calculate the ICER of Programme 2 over Programme 1

(b) Depict graphically the Average and Incremental Cost-effectiveness ratios.

Q. 9 Consider the following data on Wine Bottler

Sales price per bottle: US $ 14.00
Variable costs per bottle: Wine bought at US $ 750 per barrel; each barrel yields 150 bottles (5 $ per bottle) Bottle and label: US $ 2.00 Cork: US $ 1.00
Fixed cost per month: Labour: US $ 2500 Rent equipment and facilities: US $ 1500

(a) Calculate break-even quantity per month
(b) What would happen to net revenues if an additional 20 bottles are sold, beyond the break-even quantity
(c) Illustrate your results through graphs

Q. 10 Discuss the techniques of economic evaluation in terms of type of study, measurement/valuation of costs, identification of consequences, and measurement/valuation of consequences.