

January 2017

M. B. A. (Hospital Administration) Examination

Third Semester
HEALTH ECONOMICS

Time 3 Hours]

[Max. Marks 80

Note : Attempt any three questions from Section A. Section B is compulsory. Each question of Section A carries 16 marks. Section B carries 32 marks.

Section A

1. Explain the scope and subject matter of Health Economics. How it is different from micro economics?
2. Discuss the law of demand. What are the problems of deriving the demand curve for Health Services ? DAVVonline.com
3. What do you mean by market failure in Health Services and discuss the steps to improve the market structure in Health Services ?
4. Explain the rationale of Medical Insurance in India. How it can be made effective ?
5. Explain meaning and methods of economic evaluation in health care services.
6. What do you mean by economic efficiency in Health Services ? Discuss the methods of measuring efficiency in health services.

Section B

1. Explain the meaning, measurement and scope of price elasticity of demand in Health Care Market. DAVVonline.com

Like many other developing nations, India subsidize medical care, charging consumers a small fractions of the cost of providing services such as visit to medical clinics. The price elasticity of demand for medical care is 0.67 for poor households but only 0.03 for wealthy households. Suppose the Govt. reduces its subsidies for medical care, and a price to consumer increased by 10%. Predict the changes in the quantity of medical care demand for poor households and wealthy households.