



University of Sri Jayewardenepura
Faculty of Humanities and Social Sciences

Bachelor of Arts Fourth Year Second Semester Examination – January/February 2018

Economics

ECON 4273.01 – Economic Analysis of Healthcare

Duration: Two hours (02)

Answer only four (04) questions.

01. i. Explain the health production function by distinguishing the difference between health and healthcare in Economics. (10 marks)
- ii. Explain the health expert's view and the economist's view for an optimum healthcare provision. (10 marks)
02. i. Explain how the problem of risk and uncertainty affects in healthcare market and the way in which the market address to that problem. (10 marks)
- ii. What are the problems in healthcare insurance market? Discuss. (10 marks)
03. i. Why do people demand for health? Explain using an appropriate model. (10 marks)
- ii. What is supply induced demand? Explain the relevant of this within healthcare market. (10 marks)



04. i. Explain the cost associated with a person getting an ill in macroeconomic context. (10 marks)

ii. What is the impact of externalities in healthcare market? How the market address to this issue? (10 marks)

05. i. Explain the need of evaluating healthcare programmes in an economic perspective. (10 marks)

ii. Describe and discuss the similarities and differences of the following evaluation methods of healthcare programmes. (10 marks)

- a. Cost Effectiveness Analysis (CEA)
- b. Cost Utility Analysis (CUA)
- c. Cost Benefit Analysis (CBA)

06. Write brief notes on the following topics (10 marks each)

- i. Status of health indicators in Sri Lanka
- ii. Different ways of addressing the healthcare problems of elderly