

THE OPEN UNIVERSITY OF SRILANKA
DEPARTMENT OF SOCIAL STUDIES
BA DEGREE IN SOCIAL SCIENCES – (2015/2016)
FINAL EXAMINATION – LEVEL 4
SSU2206 - HEALTH ECONOMICS



DURATION: 03 HOURS

Date: 20th March 2016

Time: 1.30 p.m. – 4.30 p.m.

Instructions:

- *Answer any five (05) questions.*

01. (a) How would you define “Economics” and “Health Economics”. Explain with appropriate examples (10 Marks)
 (b) Is health care a commodity? Discuss (10 marks)
02. (a) Explain the framework of Health Economics. (10 marks)
 (b) Comment on the significance of its components in relation to health care provision (20 marks)
03. (a) Describe the key methods of health care financing (10 marks)
 (b) Comment on the present health care financing methods in Sri Lanka (10 marks)
04. (a) What is the purpose of economic evaluation? (10 marks)
 (b) Discuss two methods of economic evaluation (10 marks)
05. Discuss the main goal of health care sector according to Alma Mata Declaration (20 marks)
06. Explain the rationale behind the pricing formula introduced by the State Pharmaceutical Corporation in 1988. (20 marks)
07. (a) Illustrate perfect competitive market model and discuss how surplus and scarcity exist? (10 marks)
 (b) How health care sector differs from other sectors? Examine (10 marks)
08. Discuss the positive and negative outcomes when public sector physicians are allowed to carry out private practices. (20 marks)
09. Write brief notes on the following (5 marks each)
 (a) Moral hazards
 (b) Adverse selection
 (c) Asymmetric information
 (d) Quality Adjusted Life Years