## THE OPEN UNIVERSITY OF SRI LANKA DEPARTMENT OF SOCIAL STUDIES BA DEGREE PROGRAMME IN SOCIAL SCIENCES – LEVEL IV FINAL EXAMINATION (2007) SSU 2206 – HEALTH ECONOMICS



**DURATION: THREE (03) HOURS** 

Date: 08<sup>th</sup> October 2007 Time: 01.30 p.m. - 4.30 p.m.

## Answer five (05) questions only. Each question carries 20 marks.

- 1. Explain the following concepts giving specific examples from health sector
  - a) Opportunity cost
  - b) Elasticity of demand
  - c) Marginal cost
- 2. Discuss both economic and other impacts of the user charge system.
- 3. Explain the following
  - a) Quality Adjusted Life Years
  - b) Shadow price
- 4. Discuss the major sources of health care financing.
- 5. Outline the issues relating to the liberalization of drugs in the Sri Lankan context.
- 6. What are the economic impacts of private practice by government doctors?
- 7. Discuss the major contributions made by Professor Senaka Bibile with regard to pricing of drugs.
- 8. "Health care is not a right but a commodity". Discuss
- 9. Write short notes on the following:
  - A) Adverse selection
  - B) Moral Hazards
  - C) Over consumption
  - D) Fair Trade Commission

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