UNIVERSITY OF ESWATINI

FACULTY OF SOCIAL SCIENCES

DEPARTMENT OF ECONOMICS

MAIN EXAMINATION

JUNE 2019

TITLE OF PAPER: HEALTH ECONOMICS II

COURSE CODE: ECO424

TIME ALLOWED: 2 HOURS

INSTRUCTIONS: ANSWER ANY FOUR QUESTIONS

                    EACH QUESTION IS WORTH 25 MARKS

REQUIREMENTS

1. SCIENTIFIC CALCULATOR

DO NOT OPEN THIS PAPER UNTIL YOU HAVE BEEN DUELY INSTRUCTED

Question 1

(a) What is a health care system? [3]

(b) What are the characteristics of a good health care system? [7]

(c) With reference to Eswatini, critically analyze the country's health care system's ability of achieve the economic objective of a health care system [15]

Question 2

(a) Eswatini is in the process of setting up a health financing unit; critically analyze the current state health financing in Eswatini. Further propose any health financing modalities that would work best for the country. [25]

Question 3

(a) Sector wide approaches gained popularity in the early 2000's critically analyze the state of sector wide approaches in Swaziland. [15]

(b) What are the major sources of health financing pressures in the Kingdom of Eswatini? [10]

Question 4

(a) With reference to Eswatini critically discuss why gender sensitive budgeting should be a priority in health planning? [15]

(b) Critically analyze the country's performance on the gender specific SDG's and MDG's, and are these indicators elastic to the budget spent on each sector? [10]

Questions 5

(a) The World Health Organization (WHO) is considering sending a team of experts to deal with an outbreak of schistosomiasis in a distant country. Sending a larger team will allow WHO to prevent more fatalities, and WHO estimates the following effectiveness

# of team numbers	# of Deaths
0	1200
5	500
10	200
15	100
20	60
25	40
30	30
35	25
40	22
45	20
50	20

    i) It costs $5000 for each member to be sent. Calculate the total, average, and marginal costs of life saving through this effort [5]

    ii) If saving a life is valued at $100000, what is the optimal number of WHO should send to combat the epidemic. [5]

    iii) If saving a life is valued at $10000, what is the optimal number? [5]

iv)   What optimal team size gives most "bang for the buck"?   [5]

v)   Each person must be taken away from disease fighting team at work elsewhere in the world. What is the appropriate opportunity cost measure for sending people to fight the new epidemic? (The transportation cost of $5000 or the reduction in life saving efforts from the job they are pulled from?)   [5]