

**W1-2-60-1-6**

**JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY**

**UNIVERSITY EXAMINATIONS 2016/2017**

FOURTH YEAR SECOND SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF SCIENCE IN MEDICAL MICROBIOLOGY

**MMB 2477 HEALTH MANAGEMENT AND ECONOMICS**

**DATE: JUNE, 2017 TIME: 2 HOURS**

**INSTRUCTIONS: ANSWER QUESTION ONE (COMPULSORY) AND ANY**

**OTHER TWO QUESTIONS**

**QUESTION ONE**

a. Describe principles of effective management in health care. (5 marks)

b. Highlight the primary functions of management in medical research institution. (5 marks)

c. Describe the relevance of health economics to a medical microbiology expert. (5 marks)

d. Managers must consider two domains as they carry out various task and make decision in health service administration. Name such domains and explain about them. (5 marks)

e. Suppose that a person with terminal cancer has the following options:

* Do nothing: spend nothing and live two more years with each year worth 0.4 of a year in perfect health.
* Passive treatment: spend $40,000, live four more years with each year worth 0.5 of a year in perfect health.
* Aggressive treatment: spend $200,000, live ten more years with each year worth 0.6 of a year in perfect health. With adjustment for quality of life, which treatment-passive or aggressive- is most preferred to no treatment on cost-effectiveness grounds? Explain your answer.

(5 marks)

f. Explain the Grossman’s economic model, clearly showing its prediction. (5 marks)

**QUESTION TWO**

Patient x has a serious, life-threatening condition.

* If he continues receiving standard treatment he will live for 1 year and his quality of life will be 0.4 (o or below=worst possible health, 1-best possible health)
* If he receives the new drug he will live for 1 year 3 months, with a quality of life of 0.6

The cost of new drug is assumed to be $10000, standard treatment cost $3000.

a. Calculate incremental cost effectiveness analysis. (5 marks)

b. Describe the above analysis. (15 marks)

**QUESTION THREE**

a. Describe the economic features of health care in Kenya. (5 marks)

b. Analyze the causes of health care market failure. (15 marks)

**QUESTION FOUR**

Give the poverty levels and the unstable financial support from development partners for the provision of health services in the country, explain four sources of funding that may be sustained in the long run to finance provision of health care. Give advantages and disadvantages of each of the source of financing. (20 marks)