

OLLSCOIL NA hEIREANN, GAILLIMH
THE NATIONAL UNIVERSITY OF IRELAND, GALWAY

SEMESTER 1 EXAMINATIONS 2001/02

EC345 Health Economics

Third Year

Professor H. Dixon
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Time allowed: Two hours

Instructions: Answer three questions

1. It is widely acknowledged that consumers of health care lack information about the timing of consumption needs, about the level and form of treatment required, and about its effectiveness. What are the potential efficiency implications of this lack of information?
2. Why should we expect the development of health care insurance first for those services that are most inelastic, and only later for more elastic services?
3. In the Grossman model, how does investment in health change in response to changes in age, wages and education.
4. Despite its theoretical superiority, willingness to pay (WTP) has not been used very much in health care settings. What are the theoretical advantages of the WTP approach and why do you think that WTP has been used infrequently in the evaluation of health care programmes?
5. Examine the evidence of socio-economic inequalities in health in Ireland? What can be done to tackle existing health inequalities?