

OLLSCOIL NA hEIREANN
THE NATIONAL UNIVERSITY OF IRELAND, GALWAY

AUTUMN EXAMINATIONS 2001/2002

EC345 Health economics
Third Year

Professor H. Dixon
Professor M.P. Cuddy
Dr. E. O'Shea

Time allowed: 2 hours.

Answer 3 questions.

1. What are the efficiency and equity implications of moral hazard and adverse selection for health care insurance markets?
2. The fundamental desire is for good health not health care! Explain the implications of this statement using the theoretical approach of Michael Grossman.
3. Give examples of the importance and role of information in health care decision-making.
4. The application of contingent valuation approach to priority setting in health care requires careful handling to mitigate the design problems inherent in the methodology. What are these design problems and to what extent to they undermine the credibility of the contingent valuation approach?*
5. Examine the social gradient in health in Ireland.