

3.1. $P(\text{Person is COVID +ve}) = P(C+) = 0.08$

$P(\text{Person predicted +ve}) = P(P+)$

	Predicted		N
	P	N	
Actual	P	0.9	0.1
	N	0.03	0.97

↔ given

$$\begin{aligned}
 P(P+) &= P(P+|C+) \cdot P(C+) + P(P+|C-) \cdot P(C-) \\
 &= 0.9 \times 0.08 + 0.03 \times (1 - 0.08) \\
 &= 0.0996
 \end{aligned}$$

$$\begin{aligned}
 P(C+|P+) &= \frac{P(P+|C+) \cdot P(C+)}{P(P+)} \\
 &= \frac{0.9 \times 0.08}{0.0996} \approx 0.723
 \end{aligned}$$

Person should be diagnosed as probability of person to be covid +ve is high and greater than $P(C+)$ also.

3.2. $P(C+) = 0.6$

$P(P+) = 0.9 \times 0.6 + 0.03 \times (1 - 0.6) = 0.552$

$$P(C+|P+) = \frac{0.9 \times 0.6}{P(P+)} = \frac{0.54}{0.552}$$

≈ 0.978