



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**14/16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS**  
**SCHOOL OF SCIENCE AND TECHNOLOGY**  
**MARCH/APRIL 2014 EXAMINATION**

**COURSE CODE: NSS412**

**COURSE TITLE: HEALTH ECONOMICS**

**TIME ALLOWED: 2 ½ HOURS**

**INSTRUCTION: ANSWER QUESTIONS ONE (1) AND ANY OTHER THREE QUESTIONS.**

1. Define the following terms with appropriate examples

a) Economics

b) Health Economics

c) Opportunity cost

d) Goods

(e) Services

( 5 marks x 5 = 25

marks)

2. Describe the various types of health care cost. (15 marks)

3. (a) Define health insurance. (5 marks)

(b) State and explain types of health insurance. (10 marks)

4. (a) Mention five advantages of health insurance. (5 marks)

(b) What factors determine demand in the health system? (10 marks)

5. Write short notes on the following:

(a) Cost monitoring    (b) Cost reduction    (c) Cost awareness (5marks x 3  
= 15marks)

6. (a) Explain the term, Health Maintenance Organization (HMO) 10 marks
- (b) State five functions of (HMO) Health Maintenance Organization. (5 marks)