Enrollment No. :
Centre Code :

Invigilator Sign.
Date :

Total number of printed pages = 7

2024

IDC (MOOCs)

Paper : MOOCIDC1013

(Economics of Health and Education)

Full Marks : 50.

Pass Marks : 20

Time : 2 hours

(Question carries 1 mark each)
Please tick (✓) the correct answer

*Use of correction fluid is prohibited ** Multiple ticks will be treated as incorrect.*

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1. **Which of the following is a key determinant of health according to the book?**

   a) Income
   b) Education
   c) Access to healthcare
   d) All of the above

2. **The Grossman model is primarily concerned with:**

   a) The supply of healthcare services
   b) The demand for healthcare and health capital
   c) The pricing of health insurance
   d) The regulation of pharmaceutical companies

3. **What does the term 'health capital' refer to?**

   a) The total expenditure on health services
   b) The stock of health that provides utility and economic benefits
   c) The infrastructure of healthcare facilities
   d) The investment in medical research

4. **Human capital theory in education primarily emphasizes:**

   a) The intrinsic value of education
   b) The role of education in improving social status
   c) The economic returns to investment in education
   d) The cultural importance of education

5. **Which of the following is an example of a positive externality in education?**

   a) Higher wages for educated individuals
   b) Improved public health due to better education
   c) Increased individual productivity
   d) More competitive job markets

6. **According to the book, one of the main challenges in health economics is:**

a) Balancing cost and quality in healthcare provision

b) Increasing the number of healthcare professionals

c) Reducing the price of pharmaceuticals

d) Improving the design of health insurance policies

7. **The term 'adverse selection' in health insurance refers to:**

a) The tendency of sicker individuals to buy health insurance

b) The preference for high-deductible health plans

c) The reluctance of healthy individuals to buy health insurance

d) The practice of insurers denying coverage to high-risk individuals

8. **Which of the following policies can help in reducing moral hazard in healthcare?**

a) Increasing health insurance premiums

b) Introducing co-payments and deductibles

c) Expanding public health programs

d) Providing free healthcare services

9. **Education as a public good is characterized by:**

a) Excludability and non-rivalry

b) Non-excludability and non-rivalry

c) Excludability and rivalry

d) Non-excludability and rivalry

10. **The concept of 'shadow price' in health economics refers to:**

a) The market price of healthcare services

b) The implicit cost of health capital

c) The subsidized price of medical goods

d) The government-set price of healthcare

11. **In the context of educational economics, the 'signaling theory' suggests that:**

a) Education increases productivity

b) Education serves as a signal of a worker's ability

c) Education reduces social inequality

d) Education is an intrinsic good

12. **The principal-agent problem in healthcare arises because:**

a) Patients cannot accurately assess the quality of healthcare

b) Doctors and patients have aligned interests

c) Insurance companies control healthcare decisions

d) Patients have more information than doctors

13. **Which of the following best describes 'health disparities'?**

a) Differences in healthcare costs

b) Variations in health status across different populations

c) Inequalities in the distribution of healthcare facilities

d) Differences in health insurance coverage

14. **'Opportunity cost' in the context of health economics refers to:**

a) The cost of health insurance

b) The financial burden of medical treatments

c) The value of the next best alternative foregone

d) The total expenditure on healthcare services

15. **According to the book, the role of government in education includes:**

a) Providing public education

b) Regulating private schools

c) Ensuring equal access to education

d) All of the above

16. **The term 'moral hazard' in the context of health insurance means:**

a) Insured individuals engaging in riskier behavior

b) Insurance companies overcharging for premiums

c) Government interventions in the insurance market

d) The reduction of healthcare costs due to insurance

17. **In the Grossman model, the marginal efficiency of capital (MEC) curve represents:**

a) The relationship between health expenditure and health stock

b) The diminishing returns to health capital investment

c) The optimal level of healthcare utilization

d) The cost-benefit analysis of health interventions

18. **Which of the following factors does NOT directly impact the demand for education?**

a) Family income

b) Quality of educational institutions

c) Availability of healthcare services

d) Cultural attitudes towards education

19. **The 'rate of return' on education is typically higher for:**

a) Primary education

b) Secondary education

c) Tertiary education

d) Vocational training

20. **'Information asymmetry' in healthcare markets leads to:**

a) Perfect competition

b) Market failures

c) Lower healthcare costs

d) Efficient allocation of resources

21. The 'education production function' relates to:

a) The cost of providing education

b) The inputs required to produce educational outcomes

c) The government expenditure on education

d) The returns to investment in education

22. Which of the following is a common measure of health status in economics?

a) Gross Domestic Product (GDP)

b) Human Development Index (HDI)

c) Disability-Adjusted Life Years (DALYs)

d) Consumer Price Index (CPI)

23. The term 'screening' in the context of education refers to:

a) The process of selecting students for advanced programs

b) The evaluation of teachers' performance

c) The use of education to differentiate between high and low ability individuals

d) The assessment of educational policies

24. Health economics often uses the concept of 'elasticity' to describe:

a) The flexibility of healthcare policies

b) The responsiveness of healthcare demand to changes in price

c) The durability of medical equipment

d) The variability of healthcare quality

25. Which of the following is a key feature of the Beveridge model of healthcare?

a) Private health insurance markets

b) Universal healthcare funded by taxes

c) Employer-provided health insurance

d) Out-of-pocket payments for medical services

26. The concept of 'marginal utility' in health economics refers to:

a) The additional cost of consuming one more unit of healthcare

b) The additional benefit derived from consuming one more unit of healthcare

c) The average cost of healthcare services

d) The total utility derived from healthcare consumption

27. The 'returns to education' can be classified into:

a) Social and private returns

b) Monetary and non-monetary returns

c) Short-term and long-term returns

d) All of the above

28. In health economics, 'cost-effectiveness analysis' is used to:

a) Determine the cheapest healthcare option

b) Compare the relative costs and outcomes of different interventions

c) Evaluate the impact of health policies

d) Analyze the distribution of healthcare resources

29. The 'income elasticity of demand' for healthcare indicates:

a) How demand for healthcare changes with price

b) How demand for healthcare changes with income

c) The impact of insurance on healthcare demand

d) The relationship between income and health status

30. Which of the following is an example of a negative externality in healthcare?

a) Vaccination programs

b) Smoking

c) Health education campaigns

d) Public health initiatives

31. The concept of 'human capital' in economics includes:

a) Physical capital investments

b) Investments in education and health

c) Financial assets

d) Natural resources

32. 'Catastrophic health expenditure' is defined as:

a) Health spending that exceeds a certain percentage of household income

b) Health spending on rare diseases

c) Government expenditure on healthcare

d) Health spending on emergency services

33. Which of the following best describes 'equity' in the context of health economics?

a) Equal access to healthcare services

b) Equal distribution of health outcomes

c) Fairness in the distribution of healthcare resources

d) Equal healthcare expenditure for all individuals

34. The 'Sheepskin effect' in education refers to:

a) The impact of degrees and diplomas on earnings

b) The cost of higher education

c) The benefits of informal education

d) The role of education in rural areas

35. In the context of health economics, 'morbidity' refers to:

a) The incidence of disease in a population

b) The mortality rate

c) The quality of life

d) The cost of medical treatments

36. Which of the following is a common method to finance public education?

a) User fees

b) Government taxation

c) Private donations

d) International aid

37. The 'principal-agent problem' in healthcare typically involves:

a) Insurance companies and hospitals

b) Doctors and patients

c) Government and healthcare providers

d) Pharmaceutical companies and regulators

38. The term 'cost-benefit analysis' in health economics is used to:

a) Compare the costs of different health interventions

b) Assess the net benefits of health interventions

c) Determine the financial feasibility of health projects

d) Evaluate the quality of healthcare services

39. Which of the following is a limitation of the human capital approach in education?

a) It focuses only on the economic returns of education

b) It ignores the social benefits of education

c) It may not account for differences in individual abilities

d) All of the above

40. In the context of healthcare, 'preventive care' refers to:

a) Emergency medical treatments

b) Measures taken to prevent diseases

c) Surgical procedures

d) Palliative care services

41. Which of the following factors can contribute to health disparities?

a) Socioeconomic status

b) Geographic location

c) Access to healthcare

d) All of the above

42. The 'education production function' typically includes inputs such as:

a) Teacher quality

b) Student-teacher ratios

c) School infrastructure

d) All of the above

43. Which of the following is a direct benefit of education?

a) Higher income

b) Improved health outcomes

c) Enhanced social skills

d) All of the above

44. The 'law of diminishing returns' in health economics suggests that:

a) Increasing healthcare expenditure will always lead to better health

b) Beyond a certain point, additional healthcare expenditure has a reduced impact on health outcomes

c) Health outcomes are independent of healthcare expenditure

d) More expensive healthcare is always more effective

45. In educational economics, 'peer effects' refer to:

a) The influence of classmates on a student's academic performance

b) The impact of teachers on student outcomes

c) The role of parental education in student success

d) The effect of school policies on educational attainment

46. The 'social gradient in health' indicates that:

a) Health improves with higher socioeconomic status

b) Health outcomes are equally distributed across society

c) Healthcare access is unrelated to social status

d) Health disparities are due to genetic factors

47. Which of the following is an economic justification for public investment in education?

a) Education leads to higher private returns for society

b) Education generates positive externalities

c) Education is a consumer good

d) Education reduces government spending

48. The term 'marginal cost' in health economics refers to:

a) The total cost of healthcare services

b) The cost of producing one additional unit of healthcare service

c) The average cost of healthcare

d) The fixed cost of healthcare infrastructure

49. Which of the following is a challenge in measuring the returns to education?

a) Variability in individual abilities

b) Differences in educational quality

c) Long-term vs short-term returns

d) All of the above

50. The 'inverse care law' suggests that:

a) Those who need healthcare the most are least likely to receive it

b) Healthcare services are equally distributed

c) Health outcomes are proportional to healthcare expenditure

d) Healthcare quality is uniform across different regions