

Practice Questions for Test 3, ECON 4350, Darren Grant. This is intended to give you a flavor of the type of questions that might appear on your test. Answers are given at bottom, so I recommend folding over and answering blind first, then looking at the answers. You will find practice questions of all three types: multiple choice from the notes, multiple choice from the readings, and free response.

1. Which health systems were pretty similar to each other?
 - a) the U.K. and Japan
 - b) the U.K. and the U.S.
 - c) Japan and the U.S.
 - d) all three systems were pretty different
2. Does Obamacare utilize Pay for Performance?
 - a) no
 - b) yes, for Medicare
 - c) yes, for everyone covered by insurance
3. In the U.S. health care system:
 - a) provision is mostly public, financing mostly private
 - b) provision is mostly private, financing a mix of public and private
 - c) provision is mostly private, as is financing
4. Describe some problems with the “transactional model” of a health system, as revealed in the diabetes articles we discussed in class.
5. Canada’s health system is more similar to which of these three systems: the U.S.’s, the U.K.’s, or Japan’s? Why?

Answers and Brief Explanation:

1. The answer is d, as discussed in class and the readings.
2. The answer is b, as discussed in class.
3. The answer is b, as discussed extensively in class.
4. At its essence, the transactional model does not promote the production of health as much as you would like. In the diabetes articles, we saw this in a few ways, most strikingly, the low reimbursement rates for nutrition counseling and other preventative measures, though it was a very cost-effective way to deal with the disease. For this reason the diabetes management center profiled in one article had to close.
5. The book described Canada’s system at length. It is closest to a Beveridge-style system, a single-payer system, like in the U.K. Furthermore, both systems can have waits for some procedures. In contrast, the U.S.’s system is an outlier among developed countries, while Japan uses the Bismarck model.