

Assignment: Demand for healthcare

Length: 1–2 pages (approx. 500–700 words) in Times New Roman.

- Keep answers clear and concise.
 - Use examples or simple diagrams if helpful.
 - Focus on economic reasoning.
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1. Explain what is meant by the demand for healthcare.
 2. Discuss how price elasticity of demand applies to healthcare services. Is healthcare generally considered elastic or inelastic?
 3. Briefly describe the RAND Health Insurance Experiment and the Oregon Health Insurance Experiment. Explain what these studies reveal about the effect of cost-sharing and insurance coverage on healthcare utilization.
 4. Identify three key factors influencing healthcare demand
 5. Suggest one policy that could increase preventive healthcare use.
 6. Explain how understanding price elasticity and empirical evidence helps policymakers make better decisions.