

# Figures

---

2.1	The production function relating length of stay to the number of nurses	37
2.2	A CBA of a particular intervention	42
2.3	A CM as a CBA	44
2.4	A CEA as a CBA	45
3.1	A competitive market's demand and supply measures MB and MC	65
3.2	A competitive firm produces at the lowest point of its AC	67
3.3	A monopolist's prices are greater than MC	68
4.1	Competitive markets produce too little when a negative externality exists	90
4.2	100% vaccination may not be optimal	93
4.3	When MC falls, the MB = MC rule may fail to be socially optimal	96
5.1	Modifying the MB = MC rule when taxes exist which cause a MCF	113
5.2	Calculating the MCF when there are constant costs	117
5.3	Calculating the MCF when demand is perfectly inelastic	119
6.1	Average and incremental cost-effectiveness ratios	148
6.2	The exponential function depicting the diminishing marginal utility of income	156
7.1	Incremental cost-effectiveness ratios with sampling variation in costs and effects	177
11.1	The trade-off of lifetime income for survival probabilities	277
11.2	The relation between WTP and lifetime earnings	279
12.1	The relation between WTP and willingness to accept	302
12.2	Demand and supply with waiting time as the price	304
12.3	Benefits as a function of time till treatment	307
12.4	Demand and supply as functions of the full price	311
12.5	Demand, government supply and need	313