

Figures

2.1	Welfare loss of a monopoly	24
5.1	Result of establishing a single price and Ramsey prices	96
6.1	The Kinked Demand model	112
7.1	Demand functions, co-payment levels and welfare loss	129
7.2	The pharmaceutical market: co-payment levels and welfare loss	130
7.3	Effects of raising the co-payment from 10 per cent to 40 per cent: distribution of the pharmaceutical expenditure between patient and insurer	133
8.1	Decision tree for regulatory policy	158