Name:	Business Data Analysis
Date:	201-316-VA

In Class Exercise #8: Probability: Compound Events

1. Medical Tests

Diagnostic tests of medical conditions can have several types of results. The test result can be positive or negative, whether or not a patient has the condition. A positive test (+) indicates the patient has the condition. A negative test (-) indicates the patient does not have the condition. Remember, a positive test does not PROVE that the patient has the condition, additional medical work may be required!

Consider the following random sample of 270 patients, some of whom have a medical condition and some of whom do ot, Results of a new diagnostic test for the condition are shown.

	Condition Present	Condition Absent	Row Total
Test Result +	72	37	109
Test Result -	82	79	161
Column Total	154	116	270

Assume the sample is representative of the entire population. For a person selected at random, compute the following probabilities. Give your answers in fractions:

- (a) That the test result is positive, given the condition is present.
- (b) That the test result is negative, given the condition is present.
- (c) That the test result is positive, given the condition is absent.
- (d) That the test result is negative, given the condition is absent.
- (e) That the condition is present and the test result is positive.
- (f) That the condition is present and the test result is negative.
- (g) If you go to get tested, what is the probability that the test results accurately predict your condition?

2. Deck of Cards

A standard deck of 52 cards contains 4 suits (heart, diamonds, clubs, spades), and each suit has 1 card of each of the 13 ranks (10 number cards, and 3 face cards: J, K, Q)

Answer in fractions, and show your steps. When drawing a single card from the deck, what is the probability that you draw...

- (a) A heart?
- (b) A face card?
- (c) A card that is a heart and a face?

(d) A card that is a heart or a face?

(e) A card that is either a heart or a face, but not both?