



Model Institute of Engineering
& Technology (Autonomous)
Course Handout

Kot, Bhalwal, Jammu

COURSE HANDOUT

Health Economics (BBAMI-605 B)

BBA (H) – 6TH SEMESTER

ACADEMIC YEAR (2024-25)

Mr. Koushik Dhar

Assistant Professor

School of Management- UG



UG School of Management

Model Institute of Engineering & Technology (Autonomous)

Kot Bhalwal, Jammu - 181122

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Dr. Arun K. Gupta Teaching-Learning Centre

Version 1.1





Course Code	Course Name	Course Type	Cd	L	T	P	Marks		
							Sessional	Final Exam	Total
BBAMI-605 (B)	Health Economics	Minor	4	4	0	0	40	60	100

COURSE OUTCOMES

At the end of the course the student will be able to:	
CO1	Explain the fundamental economic principles underlying health and healthcare.
CO2	Assess the impact of demand and supply factors on healthcare services.
CO3	Compare behavioral economics with traditional neoclassical economics.
CO4	Analyze the principles and methods of economic evaluation in the context of health care.
CO5	Evaluate healthcare delivery systems and their ability to respond effectively to public health needs.

Unit I: Introduction to Health Economics: Introduction, Health Economics: Overview, Structure and Beneficiaries, Concepts and Terminologies in Health Economics, Health as an Economic Good, Economics of Health vs Economics of Healthcare, Arrow's Perspective on Healthcare

(10 Hrs)

Unit II: Demand and Supply in Healthcare: Utility and Health, Demand for Health care, measuring price sensitivity with elasticities, The Grossman Model, The Grossman Model and Health Disparities, Supply Induced Demand, Hospitals as Health Providers of Health, Production and Cost of Healthcare, Profit maximization models in health care.

(10 Hrs)

Unit III: Behavioral Health Economics: Introduction to Behavioral Economics, Expected Utility Theory, Prospect Theory, Nudge Theory, Time Inconsistency and Health: Discounting, Information Economics in Health: Moral Hazard, Adverse Selection.

(10 Hrs)

Unit IV: Economic Evaluation in Application to Health and Health Care: Monetary Valuation of Health, Non- monetary Valuation of Health: QALY, Non-monetary Valuation of Health: DALY & HLYE, Costing, Discounting & Evaluation under Uncertainty, Markov modeling and Sensitivity analysis in Health care.

(09 Hrs)

Unit V: Public Health and Policies: Introduction to Public Health, Healthcare provisioning and responsiveness, Socio- economic disparities in Health- global perspective, Indian Health System: organization and governance, Indian Health Status: reforms, status, and future challenges.

(09 Hrs)

Textbooks

S.No	Name of the Books	Name of the Author	Publisher Name	Edition (Pub.Yr.)
1	Economic Analysis in Health Care	Morris, S., Devlin, N., Parkin, D., & Spencer, A.	Wiley	2nd (2012)
2.	Health Economics	Bhattacharya, J., Hyde, T., & Tu	Palgrave Macmillan	1st (2014)



Reference Books

S.No	Name of the Books	Name of the Author	Publisher Name	Edition (Pub.Yr.)
1	Health Economics	Zweifel, P., Breyer, F., & Kifmann, M.	Springer	2nd (2009)

COURSE PLAN

Unit-I Introduction to Health Economics

S.No	Topics	Recommended Books
1	Introduction, Health Economics: Overview	Book 2, Chapter 1
2	Structure and Beneficiaries	Book 2, Chapter 1
3	Concepts and Terminologies in Health Economics	Book 2, Chapter 1
4	Health as an Economic Good	Book 2, Chapter 2
5	Economics of Health vs Economics of Healthcare, Arrow's Perspective on Healthcare	Book 2, Chapter 1

Unit-II Demand and Supply in Healthcare

6	Utility and Health, Demand for Health care	Book 1, Chapter 3
7	measuring price sensitivity with elasticities	Book 1, Chapter 3
8	The Grossman Model, The Grossman Model and Health Disparities	Book 1, Chapter 3
9	Supply Induced Demand, Hospitals as Health Providers of Health	Book 1, Chapter 4
10	Production and Cost of Healthcare, Profit maximization models in health care.	Book 1, Chapter 4

Unit-III Behavioral Health Economics

11		Book 2, Chapter 4
12	Types of rural infrastructure, Role of rural infrastructure in economic development	Book 2, Chapter 4
13	Rural Markets and Marketing, Structure and functioning of rural markets	Book 2, Chapter 4
14	Marketing channels in rural areas	Book 2, Chapter 4
15	Market reforms and their impact on rural economy.	Book 2, Chapter 4

Unit-IV Economic Evaluation in Application to Health and Health Care

16	Rural Poverty - Meaning, Causes, Measures, Consequences	Book 2, Chapter 8
17	Current Poverty Scenario and Trends	Book 2, Chapter 8
18	Poverty and Unemployment Alleviation Programmes	Book 2, Chapter 8
19	Magnitude of Rural Unemployment - Causes	Book 2, Chapter 8
20	Magnitude of Rural Unemployment - Consequences	Book 2, Chapter 8

Unit-V Public Health and Policies

21	Measures of Level of Health Development	Book 2, Chapter 9
22	Measures of Income Distribution	Book 2, Chapter 9
23	Concepts of Sustainability and Sustainable Development	Book 2, Chapter 9
24	Indicators of Non-sustainable Development	Book 2, Chapter 9
25	Technological Innovations in Rural Development.	Book 2, Chapter 9



ADDITIONAL WEB RESOURCES

1.	COURSERA: Video lectures on Health Economics https://www.coursera.org/videos/strategies-and-tools-to-mitigate-agricultural-risk/16SVB?query=rural+economics&source=search
2.	MOOC: Health Economics https://onlinecourses.nptel.ac.in/noc22_hs21/preview

GRADING AND ASSESSMENT

- **Sessional Test:** 20 marks
- **Assignment:** 10 marks
- **Attendance:** 10 marks
- **Final Examination:** 60 marks

COURSE POLICIES

- **Attendance:** Minimum 75% attendance is mandatory to appear in the final examination of the course.
- **Academic Integrity:** MIET's academic integrity policies apply. Plagiarism will not be tolerated.
- **Late Submissions:** Assignments and projects must be submitted by the specified timelines.

FACULTY INFORMATION

- **Office Hours**
Monday (12:55 PM - 1:45 PM) to Friday (12:55 PM - 1:45 PM)
- **Contact Information**
Koushik.mba@mietjammu.in