



# The Flute, A Peltzman Effect & Indian Healthcare

3rd Hinduja Hospital Healthcare Management Series Conference

Delivering Right & Appropriate Healthcare

Chirantan Chatterjee

IIM Bangalore



# The Amartya Sen Flute

Carla – The Maker

Bob – The  
Poor Boy



Anne – The  
Musician

# Indian Healthcare

Producer  
Organizations



Those Who  
Most Need  
Healthcare

Physicians &  
Others –  
Delivering  
Healthcare

# Is there One Idea of Justice?

Healthcare  
Libertarians

Healthcare  
Egalitarians



Healthcare  
Utilitarians



# No Single Institutional Arrangement Unfortunately



# Raising Unintended Consequences & Potential Peltzman Effects



"Your prescriptions HAVE improved my love life...I'm dating my pharmacist."

# The Peltzman Effect



Peltzman, S. (1975). The effects of automobile safety regulation. *The Journal of Political Economy*, 677-725.

# Indian Healthcare: Producer Side Peltzman Effects

Chatterjee, C., Kubo, K., & Pingali, V. (2015). **The Consumer Welfare Implications of Governmental Policies and Firm Strategy in Markets for Medicines.** *Journal of Health Economics.*



# Indian Healthcare: Producer Side Peltzman Effects



# Indian Healthcare: Consumer Side Peltzman Effects

The New York Times

WELL Research Group Funded by Coca-Cola to Disband

U.S. Still in Danger of Losing War on AIDS, C.D.C. Director Says

Health Spending in U.S. Topped \$3 Trillion Last Year

Breast Implants Undergo Reconstruction

Paul Ryan Pushes Health Care After

JUNGLEE RUMMY ₹25 FREE No Deposit Required Offer valid for 48 hours PLAY RUMMY NOW

RESEARCH

## Rise in Early Cervical Cancer Detection Is Linked to Affordable Care Act

By SABINA TAVERNESE NOV. 24, 2013



Alina Nuriya selected an insurance plan at the Mall of America in Miami this month. A growing number of early-stage cervical cancer diagnoses among young women may be related to higher insurance signups under the Affordable Care Act. (in health) Getty Images

INSEAD EMBA  
Further your global leadership potential  
Learn more >  
INSEAD  
The Business School for the World™

# Indian Healthcare: Regulator Side Peltzman Effects

Figure 2. The sales of 500mg and 650mg Paracetamol over time



Figure 2 Notes: The sales of 500mg Paracetamol declined relative to the sales of 650mg Paracetamol during the study period.

Source: Bhaskarabhatla et.al (2015).

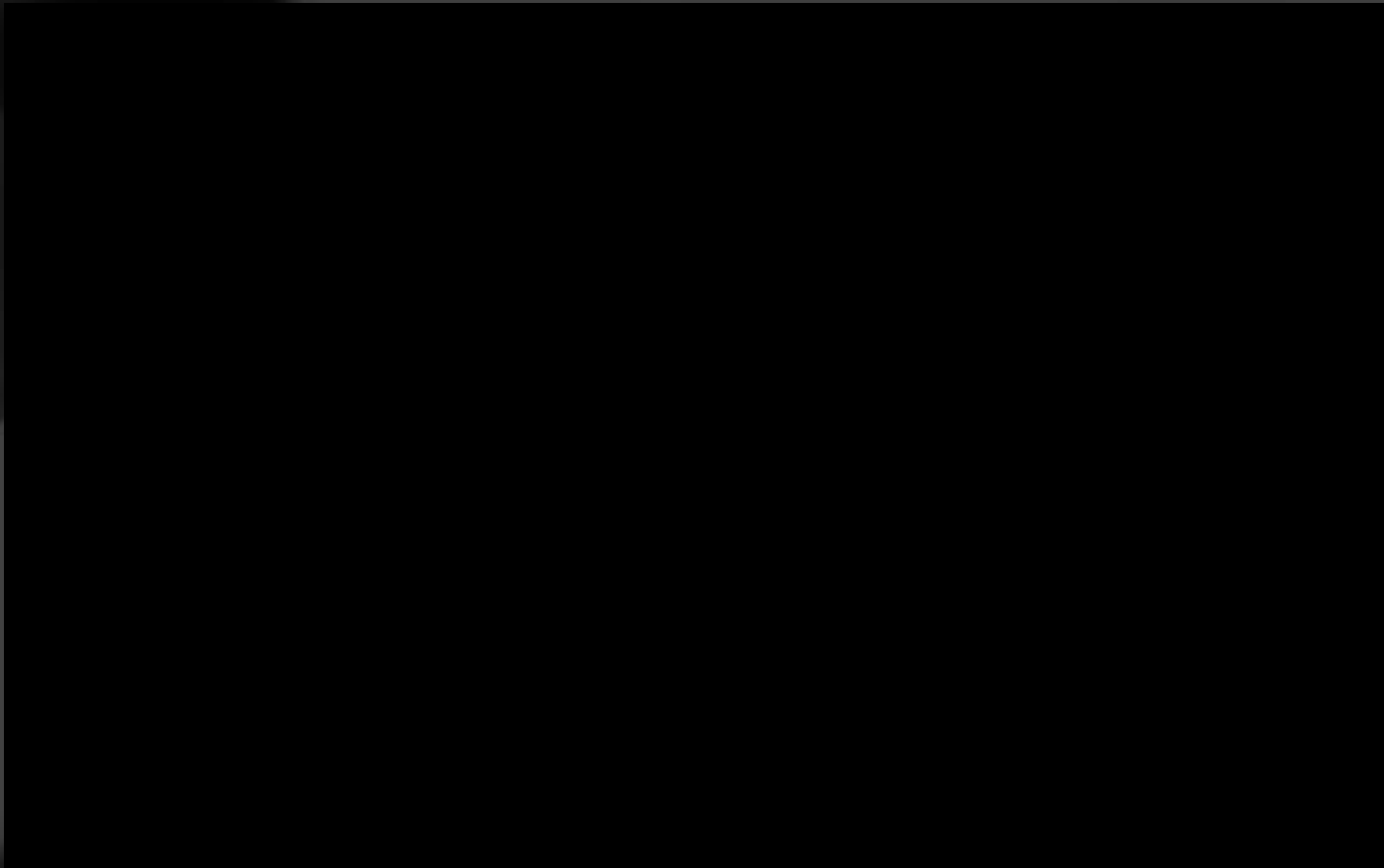
# How Do You Solve This Tussle?



# How Do You Solve This Tussle?

A Plain Vanilla Rubric	
Monitor, Collect, Analyze, Learn from Evidence	The Mass Gen Example
Create Agile & Intuitive Organizations	The Hiranandani Example
Recognize Uberization & Take Advantage	The Portea/Practo Example
Maintain flexibility to hybridize	The Novartis/MHE Example

More on this in my MOOC



# Thank You

Email: [chirantan.chatterjee@iimb.ernet.in](mailto:chirantan.chatterjee@iimb.ernet.in)

SSRN: [http://papers.ssrn.com/sol3/cf\\_dev/AbsByAuth.cfm?per\\_id=830407](http://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=830407)

Scholar.Google : <http://scholar.google.co.in/citations?user=8NcyggYAAAAJ&hl=en&oi=ao>

Web: <http://www.iimb.ernet.in/user/185/chirantan-chatterjee>

IIMBx: Healthcare in India: Strategic Perspectives (<https://www.edx.org/school/iimbx>)