

## **Opportunity Cost of Illness and Occupational Classes: A Case Study of Balangir District in Odisha<sup>1</sup>**

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*The opportunity cost of illness not only imposes a double cost burden (loss of income, working days and alternate uses of money) but also the past saving or income is sometimes insufficient to meet the treatment cost, thereby forcing people to borrow, mortgage and sell their assets for treatment. The existing studies measuring the opportunity cost-of-illness tend to measure the economic burden of disease and estimate the maximum amount that could be potentially saved if a given disease has to be eradicated by not taking into consideration the occupation of the patients and the care givers or accompanying persons.*

*This study estimates the opportunity cost of illness for different occupational classes (such as labour, farmer, business, service and others categories) and examines the consequences. Using multistage random sampling and purposive sampling technique, Balangir district in Odisha was selected where the necessary data was collected from 176 households in both rural and urban areas during September-October 2010.*

*Due to illness, the work and earning losses were the highest for the labour class, both for the patients as well as accompanying persons. Also, the direct cost burden of illness was greater than indirect cost burden for the occupational classes. A higher proportion of rural households depended on borrowing to meet their illness cost. These findings call for reviewing the existing public health policy.*

### **I Introduction**

The concept of opportunity cost occupies a significant place in modern economic analysis. It is defined as the next best alternative foregone or sacrificed. But the concept of opportunity cost of illness is significantly different from other economic goods and services on the ground that it has a double cost burden or two-way cost burden to the affected individuals or households. During the period

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<sup>1</sup> This paper is a modified version of M.Phil thesis of the first author approved by University of Hyderabad in 2012.