Assessment of SughaVazhvhu
Who, What, How?

“Improve the well being of poor populations by focusing on designing, developing, and delivering innovative solutions in healthcare concerning rural communities in India.”

**Problem**

- **Inaccessible** primary healthcare
- **72%** of the India’s total population is rural
- **1:30,000** Doctor-to-patient ratio
- **0.9%** of GDP ~ $10/Indian Government expenditure

**Solution**

- Build **Rural Network**
- “**Ayush**” doctors
- **Protocol** based healthcare delivery
- **Affordable** and **Accessible**
Background

- Directed by Dr. Nachiket Mor and Dr. Zeena Johar
- Support by the ICICI through ICTPH
- First RMHC opened in 2009
- Sughavazhvu Health Network Supply Chain and Expansion Plans in 2011
Focus

- Thanjavur district, Tamil Nadu, India
- As of Feb 2012: 5 existing RMHCs → 50,000 people
- Network of 10 RMHCs → 100,000 people
Strategy

- Systematic mobile household screening
- Rapid risk assessments
- Medical records
- Strict treatment protocols
- Supervision-training mentorship model
- Hub-and-spoke structure

- Track, quantify, treat, and prevent disease
- Data-driven diagnosis/monitoring
- Improved treatment efficacy and efficiency
- Efficient management of medical and personnel resources
- Improved medical outreach
Business Model

Revenue
- Most funding by ICICI bank through ICTPH.
- Striving to rely more on patient-driven revenue
- Offers comprehensive healthcare at about 15 Rs per visit (~ $0.24)
## Cost of Healthcare

<table>
<thead>
<tr>
<th>EXPENDITURE</th>
<th>Cost (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Care – Direct</td>
<td>587 (~ $16)</td>
</tr>
<tr>
<td>Primary Care – Indirect</td>
<td>208</td>
</tr>
<tr>
<td>Secondary &amp; Tertiary Care</td>
<td>739 (~ $15)</td>
</tr>
<tr>
<td>Estimated per capita expenditure</td>
<td>1,534</td>
</tr>
<tr>
<td>Estimated village-level expenditure (10,000 individuals)</td>
<td>15.3 million</td>
</tr>
<tr>
<td>Estimated village-level primary care expenditure</td>
<td>7.9 million</td>
</tr>
</tbody>
</table>

### COMPREHENSIVE MANAGED CARE PLAN

<table>
<thead>
<tr>
<th>Plan</th>
<th>Cost (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual cost (without copays)</td>
<td>1020 (~ $20)</td>
</tr>
<tr>
<td>Estimated village-level annual cost</td>
<td>10.2 million</td>
</tr>
</tbody>
</table>

Source: Mor, Nachiket and Karthik Tiruvarur, “Is Managed Care at all a Possibility in Developing Countries? – A perspective from Thanjavur”. The ICTPH Blog.
Operations

Value Delivered

- Monitors the health of the people in rural communities
- Affordable primary healthcare services to approx. 50,000 families

Capabilities
- Electronic medical records & bar-coded identity cards
- Standardized primary care with protocols that cover 70-80 basic diseases
- Streamlined supply chain using technology innovations to minimize costs
- In-house diagnostics
- Integrate primary care with secondary and tertiary care

Interventions
- Self help groups
- Women’s reproductive health
- Oral, dental, ophthalmic, cardiovascular diseases
- Community-based management of pneumonia
- Infant home fortification through Sprinkles

Quality
- Experiment and revise protocols
- Supervision-mentoring and continuous training
- Periodical internal and external evaluations
Partnerships

Best practices

Policy Recommendations

Secondary & Tertiary Care

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SWOT Analysis

**Strength**
- Low cost coverage
- Standardized protocols
- Empowering nurses
- Real-time connection between doctors and nurses
- Information Technology & Quality
- ICTPH’s network & Low competition

**Weakness**
- Premature business model
- Scalability and adaptability
- Supply of skilled healthcare professionals
- Funding Sustainability and Pricing
- Supply Chain

**Opportunity**
- Financial backbone - ICICI Bank
- Experienced CEO in creating innovative business models in micro-finance

**Threat**
- Future political interference
- Retention of trained personnel
- Competition from alternative Healthcare Delivery Systems
- Reliance on access to IT – challenge to scalability
Challenges

Immediate

▪ Develop sound business model
▪ Figuring out growth strategy
▪ Retaining/Attracting skillful talents

Future

▪ Political boundaries
▪ Regulation
▪ Sustainable Funding
▪ Economies of scale

FOCUS

▪ Funding sustainability
▪ Skilled force retention
▪ Adaptability & Scalability
Recommendations

- Build partnerships
- Pricing model/market research to assess affordability in each region
- Exchange programs with prestigious hospitals, institutes, and companies
- Region-wide/Nation-wide campaign to promote its value proposition
- Focus on a specific intervention
- Leverage other players’ infrastructure with minimum investment
- Price discrimination to maximize profit
- Improve staff retention and attract talents
- Increasing awareness
- Replicate the success across interventions
- Achieving economies of scale