NARAYANA HEALTH & HEALTH CITY CAYMAN ISLANDS:
FRUGAL INNOVATION & REPLICATION
Dr. CHANDY ABRAHAM  MS. DNB. MRCS. ADHA
CEO & HEAD OF MEDICAL SERVICES
Narayana Health

The Power of Purpose

Dr. Devi Prasad Shetty and Mother Theresa
Narayana Health

23 Hospitals
32 locations
2478 Doctors

6600 Beds
25 primary care centres
13000 Employees

One of India’s largest healthcare service providers.
And one of the world’s most economical.

Passion makes all the difference
IF A SOLUTION IS NOT AFFORDABLE, ITS NOT A SOLUTION

- 80% of the national expenditure on health is borne out of pocket

- 47% of RURAL 37% of urban population borrow money, or sell assets to pay the medical bills.

- Our government spends 1.1% of GDP on health

- 100 years after the first heart surgery approximately 20% of the worlds population can afford it
A Snapshot of a Revolution

• More than **1,140,000** Cardiac surgeries
• **80** bed dedicated post-op paediatric cardiac ICU – the largest in the World
• Discounts of **15%** of the revenues on an average per month
• One of the largest dialysis units in India with **217** dedicated beds and **130,000** procedures per year
• **400** bone marrow transplants
• Patients from **76** countries
• Amongst the **largest** telemedicine networks in the world

**Number of Procedures performed in FY 2014-15:**

• Cardiac surgeries: **14,036**
• Cardiology procedures: **51,456**
• Multi Specialty surgeries: **46,516**
• OPD patients treated: **16,12,943**
Why Replicate? WHY CAYMAN

- Demonstrate the universality of the model
- Meet a need in a different region—both quality and access
- Become a globally recognized brand

CAYMAN:
- Proximity to target market
- Willing government
- Well developed tourism industry
- Strong infrastructure
- Low crime
Our Partners

HCCI is a Joint Venture between Narayana Health, Ascension and the Cayman Islands Government
Health City: Agglomeration of Centers of Excellence

“Health City” - A campus with 2000 to 5000 beds, spread among 4-5 hospitals, dedicated to individual specialties

Best way to reduce the cost of healthcare through economies of scale & scope

Improves the quality of clinical outcomes by exposure to multiple specialists collaborating on a single patient

Sharing of resources to reduce cost eg: lab, radiology etc

Excellent set up for research activities

Increasing volumes
Thereby reducing costs
Narayana Hrudayalaya Health City at Bangalore

Multi Specialty and Cancer Hospital
Orthopedic Hospital
Eye Hospital
Thrombosis Research Institute & Blood Bank
Cardiac Hospital
REPLICATION:
Health City Cayman Islands
The Vision

- 2,000 Bed specialty Hospitals
  - Super Specialty hospitals focusing on Tertiary Care
  - Developed in phases over 15 years
- Medical University
  - University for approx. 3,000 students
- Research
  - HCCI Plans to integrate Biotech and IT research to enhance leading-edge healthcare
- Assisted Living
  - Plans include up to 1,500 assisted living units
CAPEX OPTIMIZED

300 bed hospital for $6 million, 6 months
Low capital and operating cost

- Low cost per bed
- Optimised space
- ICF construction
- SWAC
- Solar farm
- Reduction in Waste
- Oxygen generation
- Use of local flora
Inventory Management

- Centralized Procurement System
- 3 distribution hubs
- 1 Central Buying Unit
- $28 Million worth procurement done through central buying unit in FY13; accounts for 70% of spend
- E-Auctioning - Effective use of modern techniques to reduce transaction costs
- Product innovation in-house, e.g. Drape kits
Amaryllis

Surgeon Gown Overwrap - 1 No.
Hand Towel - 2 Nos.

2 STERILE EO

Expiry: Two years from the date of manufacture
M.R.P.: Rs. 450

Manufactured By:
Amaryllis Healthcare Pvt. Ltd.
#273/A, Bommasandra Industrial Area, Bangalore - 99
Tel.: 080-27831600, Fax: 080-27831156
Email: amaryllishealthcare@gmail.com
Volumes and Supply Chain Advantage

- High volumes improved buying power and negotiation in India
- Can transfer some of those advantages
- Central Buying Unit for medicines, surgical and consumables and equipment at cost effective prices

Challenges:

- Logistics of getting to an island
- Territorial issues for companies
- Ongoing support – Solution for equipment – Trimeedx– Ascension
Leveraging Technology – Cloud ERP System

First group in India to complete integration of all units through an ERP System deployed on a cloud

Allows real time access to data across the group

Dramatically impacts the bottom-line by taking advantage of the pay per use concept, resulting in zero investment and maintenance costs. Saving ~65% costs over a conventional IT system

Help in optimizing the process
  Daily profit and loss account encouraging cost – efficiency
  Medical documents via email upon patients’ requests

First hospital group in India to have an ERP system on a cloud
I KARE

- Clinical decision making protocols
- Feedback on responsiveness
- Remote monitoring across time zones
- Collaboration across geographies
- Benchmarking
- Quality improvement through volumes
Leveraging Technology

• Cloud based ERP with common platforms, e.g. finance and inventory on Oracle

• PACs with teleradiology- remote consultation with 24 hour centre in Bangalore

• Nuclear Medicine centre connected to India

• Ikare technology used in HCCI
PEARLS - Patient & Employee Ailment Resolution & Learning System

- Patients & staff send complaints instantly via mobile phone
- Complaints addressed & status updates sent
- Departments target reductions in the no. of complaints
- 80933 complaints recorded till date, 99% resolved
- Maintaining excellent service standards
Administrative Streamlines

- Bundled pricing that precludes use of large billing, coding and accounting teams
- Outsourcing of some backend services to central teams
- Lean process implementation to maximise resource utilisation

Challenges:
- Most companies accept bundled pricing but some are reluctant and want the full coded, granular bills
- Day night issues for some outsourcing
CARE COMPANION PROGRAM

Care Companion is

Aimed at harnessing the family member’s potential and repositions them as an integral part of the patient recovery process

Designed for rural and low-literacy population without any prior medical knowledge

To date around 7,000 care-givers have undergone this program

- **Utility**
  Overall family members feel that the program is helpful and teaches them skills which they can use at home.

- **Increased interaction**
  Family members also feel that they are now more comfortable to talk to nurses and doctors.

- **Confidence/Preparedness**
  Family members no longer feel helpless and uninformed regarding their loved one's condition.

- **Satisfaction**
  Family members are willing to recommend the program to other people.
Serving Unmet Needs

More than 50% of our patients are from economically weaker sections

Economically weaker sections include Government run BPL Scheme patients and discretionary discounts provided by NH Management
HAITI
Thank You