

LIFESPRING HOSPITALS

Dr. M. Ayyappan, LifeSpring
Hospitals
Sachin Rudra, Acumen India

Global Health Conference on
Social Marketing & Franchising
December 2013

MATERNAL CARE - WHERE DO WE CURRENTLY STAND?

+ Maternal Mortality Rate per 100,000 live births (1) + Skilled Birth Attendance (SBA) (2) + Antenatal Care - At least 4 Visits (3)

109

MILLENNIUM
DEVELOPMENT GOALS

58%

NON-POOR RECEIVING
SBA

50%

GLOBAL AVERAGE

200

INDIA

19%

POOR RECEIVING SBA

37%

INDIA

OTHER FACTORS THAT AFFECT MATERNAL CARE

QUALITY

- + Public hospitals are under-resourced and offer poor quality of healthcare
- + Low rate of institutional delivery and poor maternal health outcomes in public hospitals

AFFORDABILITY

- + Approximately 59% of healthcare expenditure in India is “out-of-pocket”
- + Healthcare cost and financing can be key determinants of the utilization of maternal services

LIFESPRING – HOW DID WE START?

+ First hand experience of seeing loss of women's dignity during maternity



+ The first LifeSpring hospital opened up in 2005 on the outskirts of Hyderabad in Moula Ali



LIFESPRING - WHAT WE OFFER

MISSION

+ To be the leading health care provider delivering high quality, affordable core maternal health care to low-income mothers across India

STRATEGY

- + Niche offering with a clear value proposition
- + Lowest cost operator
- + Customer centric
- + Optimum infrastructure utilization

COMPETENCIES & BEHAVIOUR

- + High quality of service
- + Leader in OB clinical guideline development
- + HR and talent development
- + Values driven - respect

OUTCOMES

+ Key outcomes based on all elements of strategic focus and LifeSpring pillars: growth, financial, customer, quality, people

FEATURES OF THE MODEL - LOW COSTS

ABC COSTING

- + Activity-based costing methodology followed to achieve breakeven on every activity

TIME & MOTION STUDY

- + Time & Motion study to improve and upgrade work systems

PROFIT CENTRE APPROACH

- + Identify individual profit and cost centres and establish the value of each of these centres in achieving business goals

FEATURES OF THE MODEL - BOTTOM OF PYRAMID FOCUS

UNIQUE NEEDS

- + BoP consumers have unique needs, and tailor-made services need to be provided

LIMITED PAYING CAPACITY

- + Affordable price point for BoP
- + Transparent pricing, with no surprise add-ons

LOW AWARENESS

- + Dedicated outreach and marketing programme to raise awareness of importance of skilled attendance at births

FEATURES OF THE MODEL - CLUSTER SETUP OF HOSPITALS

CUSTOMER RETENTION

- + Widespread local presence is required to retain customers, and setting up in clusters supports this logic

COST CONTROL

- + Each cluster has its own independent span of control with P&L responsibility, and every LifeSpring hospital is a profit center
- + Network and corporate costs are kept in check through hospitals being in close proximity

MARKETING & OUTREACH

- + Marketing and outreach efforts can be coordinated much more effectively, allowing for maximum cost-benefit

FEATURES OF THE MODEL - MARKETING STRATEGY

ENGAGING INFLUENCERS

- + Marketing efforts are targeted at the main influencers in the local community
- + Mothers and mothers-in-law are targeted through ASHA and *Aanganwadi* workers

COMMUNITY OUTREACH

- + Health and awareness camps are held at the local community level
- + Door-to-door outreach by dedicated outreach staff

FEATURES OF THE MODEL - PARTNERING FOR SUCCESS

LONGER LEARNING CURVE

- + Lessons learnt along the way with experience. For e.g., peri-urban focus of services, switching from hub and spoke to cluster model.

SUPPORT IN DIFFERENT FACETS OF BUSINESS

- + Strategy - Help rollout next cluster expansion, and determine cluster strength
- + Finance - Fundraising, cost controls
- + Operations - Strengthening systems and processes, improving reporting and governance

THANK YOU

