

IST 654



Business Model, Value Proposition & Sales Proposal

BY:

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Meeting Time: Tuesday (8pm-9pm)

Meeting Venue: Hinds Hall – Room 216



The Healthcare Industry – *A brief overview*

The market-based health insurance system in the United States has caused a human rights crisis that deprives a large number of people of the health care they need. The most visible problem is the 50 million people without health insurance; the most distressing is the number of preventable deaths, estimated to reach 101,000 people a year, simply due to the way U.S. health care is organized. This crisis persists despite available resources to protect the right to health, record levels of health care spending and repeated health reform efforts. Since social determinants, such as race, income and environment, strongly influence who becomes ill and who receives access to quality care, the health care crisis disproportionately affects disadvantaged groups and under-resourced communities, such as people living in poverty, people of color, and immigrants.

Health care plans play a very important role in lowering health care costs. Innovative, high quality plans at lower costs empower patients with new coverage options that focus on high performing providers and tools like coordination and management. Other strategies that help reducing health care costs include promoting prevention and healthy living, improving patient safety, and promoting transparency on medical costs and quality, and reducing health disparities.

What are Health Care Plans?

In today's world, employers have many choices when they offer benefits to their staff. One of the most important is the health insurance of its staff. In the health insurance marketplace there are two primary types of funding that an employer can choose: Full-insured and Self-insured.

- What is Fully Insured?

A fully insured health plan is one where the employer pays premiums to an insurance company that, in turn, assumes the risk of paying medical claims generated by workers. The disadvantage of this plan is that the price paid for it is higher, than costs of the premiums paid and the administration of the claims that employees rack up. Also, in this type of program, the insurance company, sets premiums and determines what benefits can be offered.



- What is Self Insured?

Self-Insurance first became established in the 1960's as an alternative to traditional insurance. Companies facing increasingly high premiums on their business began searching for solutions that would improve their cash flow and reduce their insurance costs.

Self-Insurance involves a formal decision to retain risk rather than pass it to insurers. Whilst the end objective is to save premium and to enhance a company's financial performance, self-insurance differs from standard insurance programs in that it involves the company adopting many of the functions of an insurance company.

Self-insurance requires a company to have a much greater awareness and incentive to improve its claims experience with the aim of passing the savings back to the company as well as making the workplace safer and more productive.

Problem Analysis:

The biggest health care challenges that employers face today are the rising cost of health insurance to its employees. The reasons for this are higher prices for medical services, paying over value, defensive medicine, use of new technologies and treatments without considering effectiveness, lack of transparency of information on price and quality.

Choosing the right plan for an organization has become very important in todays world as it has a direct impact on the financial statements of an organization. The higher cost including the tax paid and the rigidity in the premium set by the insurance company in Fully Insured plans has led employers, turn to Self insured plans. But at the same time, since a self-insured employer assumes the risk for paying the health care claim costs for its employees, it must have the financial resources (cash flow) to meet this obligation, which can be unpredictable.

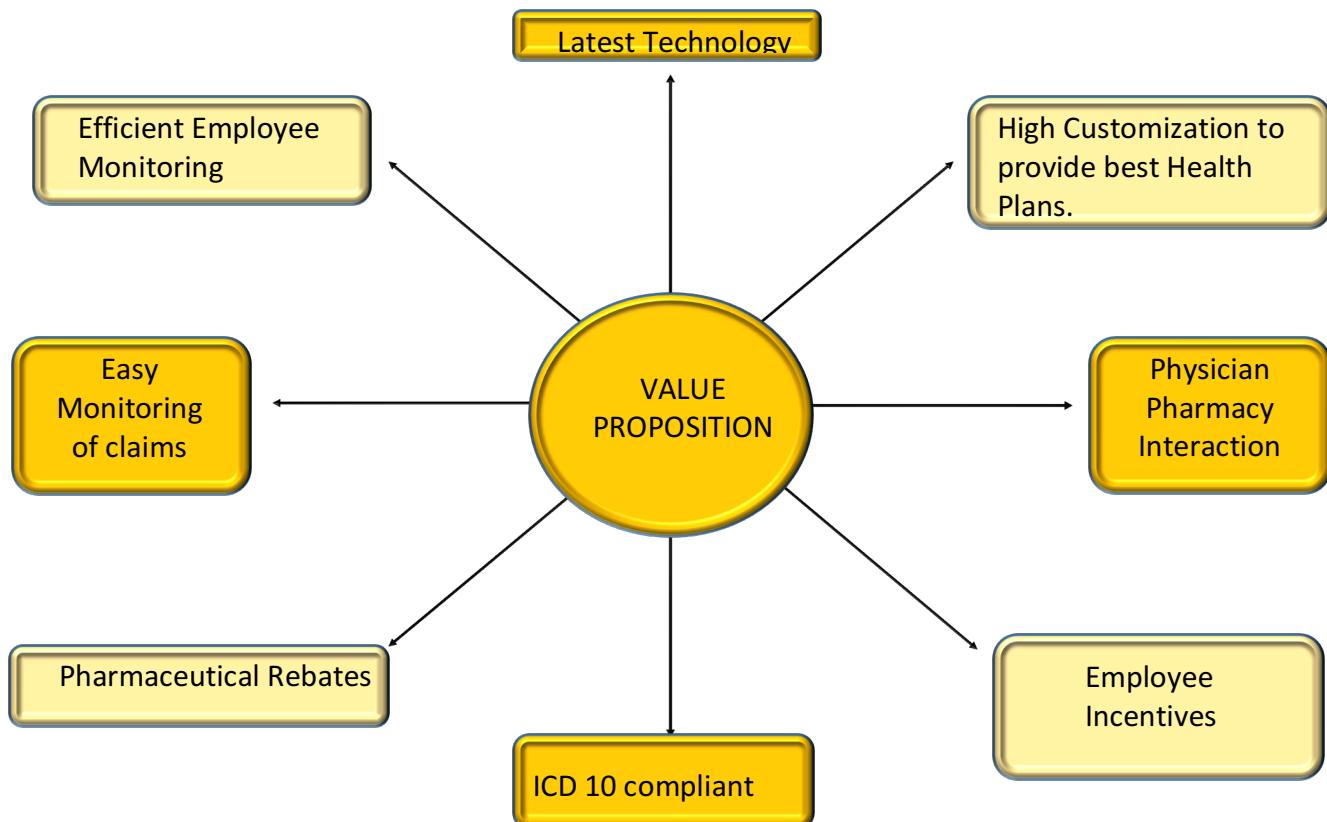
According to a 2000 report by the Employee Benefit Research Institute (EBRI), approximately 50 million workers and their dependents receive benefits through self-insured group health plans sponsored by their employers. This represents 33% of the 150 million total participants in private employment-based plans nationwide.



Thus, employers need a way to personalize health care that will help to create an optimal health environment. This may include steps to monitor, store and analyze its organizations health history before making financial assumptions, monitor employees on a periodic basis, provide increased incentives, use innovative technology to reduce costs.

What do we offer?

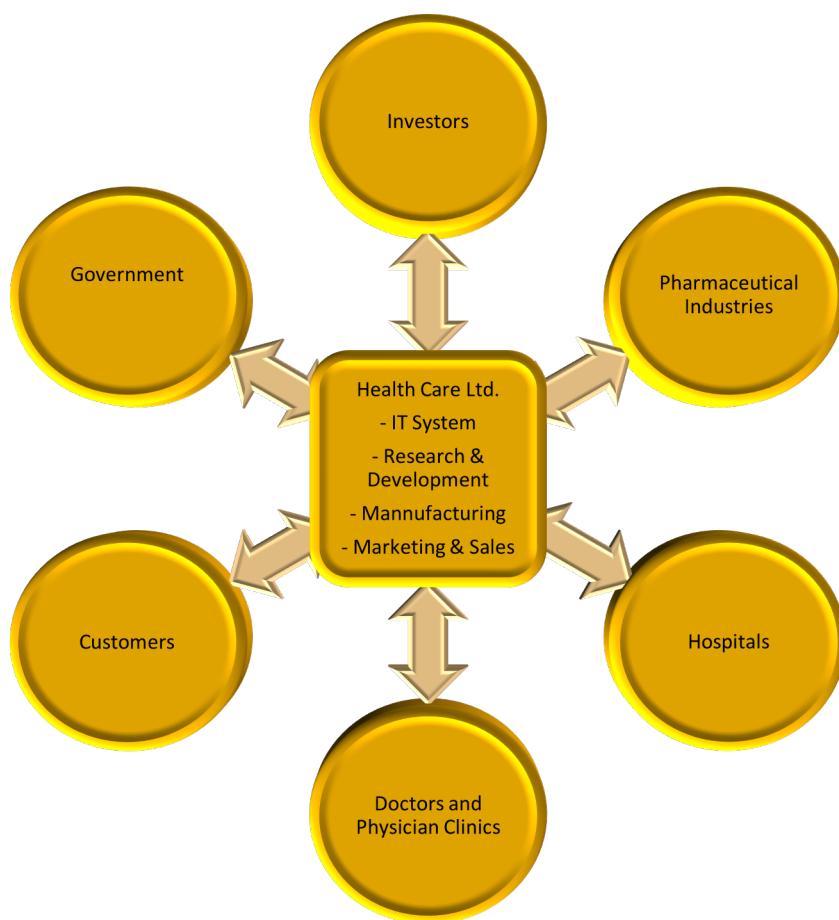
We at Health Care Ltd. help our customers create and operate customer-controlled self-insurance to cover their employee's health insurance. We provide healthcare products and services to analyze and monitor customer's employee health history, suggest suitable health care plans, provide high variety of customization, cash flow analysis, periodic employee health status check, healthy employee incentive benefits, integrated physician and pharmacy team customer communication etc. The services offered are fully compliant with HIPPA 5010 as well as the Affordable Care Act including the conversion to ICD-10 medical coding standards.



Health Care Ltd. Value Proposition

Our Business Model:

We at Health Care Ltd. partner with several hospitals, pharmaceutical companies, doctors and physicians to monitor employee health, provide smart health plans and customizations, periodic health checkups, rebates on pharmaceutical medicines, efficient employee and physician interaction etc. The highly trained physicians deal provides personalized employee health care. The IT system of the Health Care manages customer database, manages registered user data, processes claims, manages compliant and audit tracking, e-visit features, re-pricing system. Due to its partnership with pharmaceutical giants, Health Care Ltd. can provide medicines at discounted rates as well.

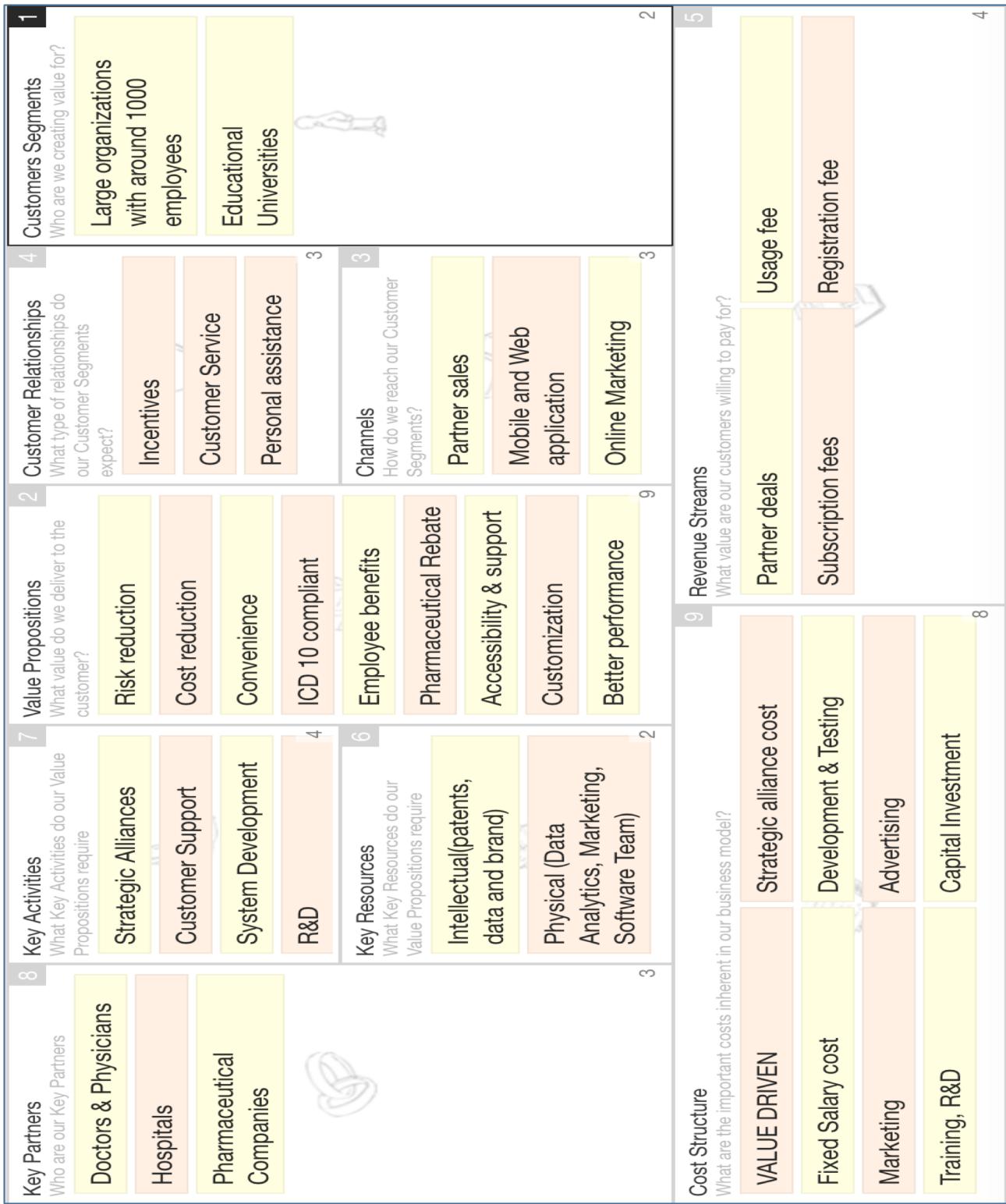




health Care Ltd.

- caring for you...

Business Model Canvas





Customers Segments refers to the consumer of the product or service. We at Health Care Ltd. are focused on creating value for large organizations with around thousand employees like educational universities, multi national companies, and medium and large scale industries. We focus on delivering excellent self insurance plans for such organizations.

Value Proposition refers to the value that is delivered to the customer segment that is targeted. These mainly focus on helping solve customer problems and satisfy customer needs. We at Health Care Ltd. help customers reduce the financial risk by accurately predicting health costs. This is done by analyzing the past health records of organizations by our analytics team and providing accurate analysis results. Using this we provide and suggest health care plans suitable to customers that includes a high level of customization as per the customer's requirements. Health Care Ltd. has a team of highly qualified doctors and physicians that monitor, treat diseases and provide regular health check-ups to employees. We have tie-ups with hospitals and major pharmaceutical companies to provide medicines at discounted rates. We also provide benefits and incentives to employees that remain healthy for long periods of time, thereby helping customers reduce long term financial costs. Health Care Ltd. uses latest technology in the creation of web and mobile applications that can be used by customers to view employee health history, check health status, monitor and submit claims easily. We at Health Care Ltd. also support ICD 10 which physicians and other providers currently use to code all diagnoses, symptoms and procedures recorded in physician practices and hospitals. Health Care Ltd. believes in confidentiality and use highly secure systems to make sure that customer information is not distributed or leaked in any form.

Channels refers to how a company communicates with and reaches its customer segments to deliver its value proposition. Channels are customer touch points that play an important role in customer experience. We at Health Care Ltd. reach our customers through our web application and mobile application. Through this portal user can register themselves and gain access to various features. We also have tie-ups with partner sites for users to gain access to the application.

Customer Relationships refers to the type of relationship that a company establishes with its user. We at Health Care Ltd. value our customers need and provide them with excellent service to help them customize their Self insured health plans. We do offer medical service and treatment for employees that are in need medical treatment. We provide incentives that focus towards employees staying healthy. Our 24 by 7 on call support team helps customers with application related issues and help.



Revenue Streams refers to the cash a company generates from each customer segment. We at Health Care Ltd. believe in a value driven model. We rely on advertising and partner deals to expand our position in the global market. We do charge subscription, usage and registration charges for using our application and one time costs for the service that we provide on a contractual basis with our customers.

Key Resources refers to the most important assets required to make the business model work. We at Health Care Ltd. require physical resources like data analytics, application development, marketing, sales, customer service, advertising teams to perform various kinds of activities. While, intellectual resources include patents, licenses and creating brands to deliver value.

Key Activities refers to all the activities that are performed to deliver value proposition. There are various kinds of activities that an organization performs which together helps deliver value. We at Health Care Ltd. carry out extensive research and development to invent new ways to deliver value to our customer. Our application development, testing and support team develops and delivers, web and mobile applications to customers. Our strategic alliance team focuses on building new channels to connect with major pharmaceutical companies and hospitals to reach wider into the market with more quality products for customers. Our customer support team work 24 by 7 to help customers with any technical or process related problems. Our advertising, marketing and sales team work towards making sure that our product reaches the consumer market.

Key Partners refer to the people and organizations that interact with Health Care Ltd. to create value proposition for our customers. They hold a very important position in the beginning stages of the industries value chain. Our key partners include Doctors & Physicians, Hospitals and Pharmaceutical Companies. We have a team of highly qualified doctors, nurses and physicians that monitor employees, provides regular health check-ups and treat various kinds of diseases that customers face. We have tie-ups with hospitals and pharmaceutical companies to provide medicines at cheaper rates and during emergency.

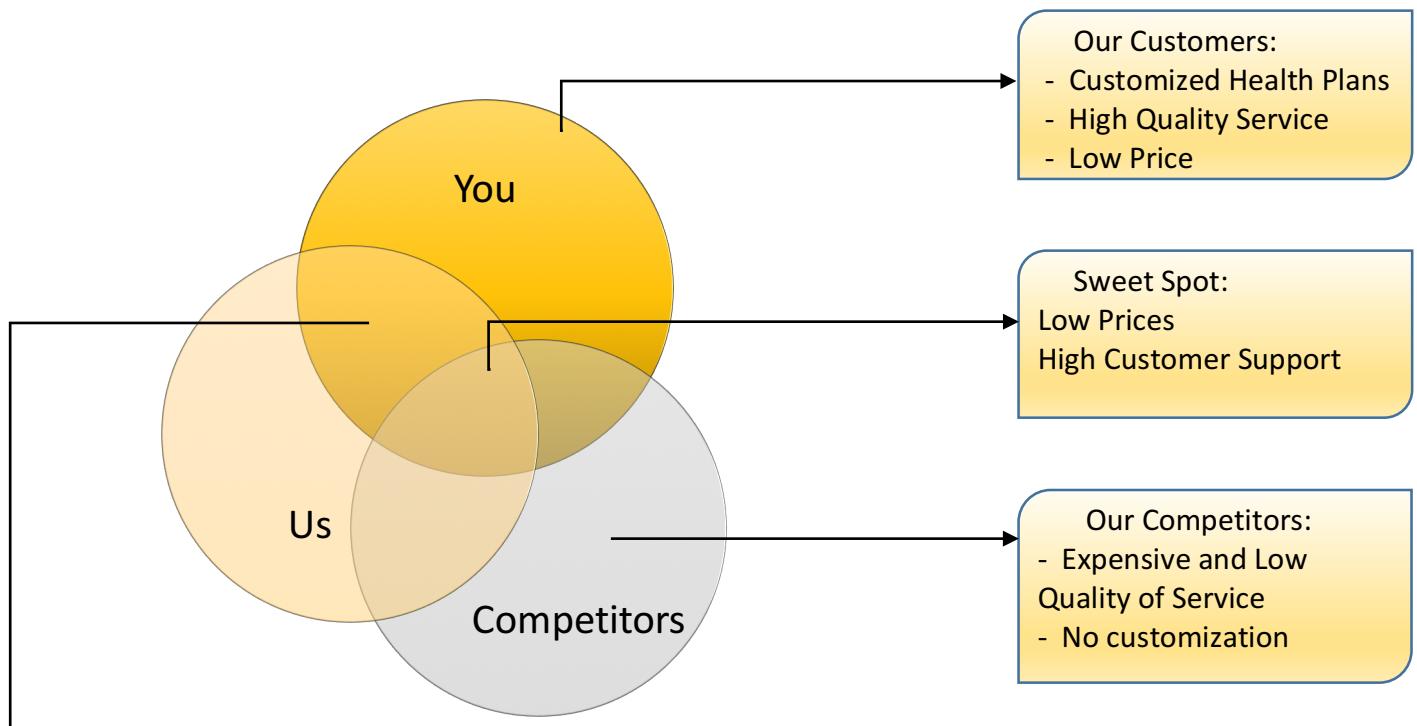
Cost Structure refers to the various costs incurred to operate a business model. We at Health Care Ltd. focus mainly on value creation. The costs structure includes a huge initial investment apart from fixed salary costs on employees, cost on development and testing of application, strategic alliance cost, marketing, sales, training, research and development, advertising costs etc.



Product Map of Health Care Ltd.



Why should you invest in us, how are we different?



- We have the best Data Analytics team to gather, analyze and provide the customer with best health plans analyzing past employee history.
- We offer Highly customized health plans at lower prices.
- Highly skilled team of doctors and physicians and hospital tie-ups that perform periodic employee checkup. We also, provide rebates on pharmaceutical medicines.
- High accuracy in predicting customer health costs by generating and monitoring daily statistical health reports.
- Web and Mobile Application for employers to view health status history and predicted financial costs.
- Long term cost saving, by providing incentives and benefits targeted at keeping employees healthy.



Equipped for Future Opportunities: Health Care Ltd.

It is clear from our business proposal, that Health Care Ltd. has a lot to capitalize on. It holds an established position in the health care market, where the threats of new entrants are also relatively controlled. It is always important to be aware of the competition. We at Health Care Ltd. reach out to our customers in many different ways.

We will continue to release new technology, products and processes, adding onto our revenue streams which will help us remain leaders in the health care market. And most importantly we strive everyday to solidify our value proposition to our customers with our Customer Centric attitude and innovations to provide high Quality service.

We are confident that we have a bright future ahead.

Thank you!