The Bridgespan Group

Aravind Eye Hospital

Using a highly efficient surgical model and variable pricing, this hospital chain has reduced cataract blindness in Tamil Nadu, India, by more than 50 percent and serves all patients regardless of ability to pay.

Forty years ago, blindness caused primarily by cataracts was widespread in India, rendering almost 13 million people unable to see, even though the condition was relatively easy to correct surgically. In 1976, ophthalmologist Govindappa Venkataswamy ("Dr. V") founded Aravind Eye Hospital with the specific goal of "eradicating needless blindness at least in Tamil Nadu [their South Indian home state of 72 million people], if not in the entire nation of India." From its modest start with 11 beds, Aravind has grown to perform more than 250,000 cataract surgeries a year. And the rate of cataract blindness in Tamil Nadu has been cut roughly in half.

This case study is part of a series that accompanies The Bridgespan Group article "Audacious Philanthropy: Lessons from 15 World-Changing Initiatives" (*Harvard Business Review, Sept/Oct 2017*). See below for 15 stories of social movements that defied the odds and learn how philanthropy played a role in achieving their life-changing results.

- The Anti-Apartheid Movement
- Aravind Eye Hospital
- Car Seats
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From the start, Aravind served a majority of its patients free of charge (they call it "zero price," treating all patients as customers with choice), while seeing enough paying patients to offset the cost of free care. Aravind's business model worked because it developed a radically efficient surgical model, with each surgeon performing an average of 2,000 surgeries per year, compared to 300 annually elsewhere in India. Plus it still maintained the dignity of patients while continuing to deliver world-class surgical quality. For example, Aravind's rate of complications is half that of the United Kingdom's National Health Service.

Aravind's scaling has been consistent—adding hospitals and other medical facilities as operating surpluses allowed. But the organization also has innovated its interventions to advance more rapidly toward the goal of ending avoidable blindness. For example, early on, Aravind enlisted village organizations and charitable groups to help support vision camps to screen rural patients. In 1992, it built a manufacturing facility to make its own intraocular lenses, a key element of modern cataract surgery—driving down the cost per lens from about $70 to $2. Then in 2004, after a study revealed that its periodic vision camps still reached only a small percentage of the rural poor in need of eye care, Aravind created permanent, inexpensive, retail-like Vision Centres in a variety of rural locations to extend its reach. Aravind also has become an important adviser in the field of vision care, establishing hospitals throughout India dedicated to high-quality eye care, as well as education and training programs that provide development opportunities for all levels of ophthalmic professionals. These innovations have been subsidized via philanthropy—in particular grants from Sightsavers and the Seva Foundation, multi-decade funders of Aravind's mission.

Philanthropy's Role in Large-Scale Change

Our research shows that breakthrough social initiatives share a set of five practical approaches to large-scale change. In the case of Aravind, philanthropy played a pivotal role in two of them:

- **Design approaches that will work at massive scale:** Aravind's sustainable funding model has been fundamental to its ability to scale. Paying patients more than offset the cost of free and reduced-cost patients, in part because of the high quality, yet radically efficient surgical model. Aravind's manufacturing facility for intraocular lenses, and microsurgery trainings to help physicians implant them, was financed in large part by Sightsavers International. These innovations helped drive costs to rock bottom, bolstering sustainability.
- **Drive (rather than assume):** Aravind's philanthropically supported "vision camps"—periodic screenings held in rural villages—generated a flow of new patients, particularly those from the poorest backgrounds. The formula sees a local supporter, often a well-known businessperson or local charitable group, pay for the incidentals of the camp, in addition to organizing and publicizing it. The supporter's community reputation is key to the success of the camp. After a study showed that the camps still reached only 7 percent of villagers in some rural areas, Aravind accessed small grants to help build Vision Centres, telemedicine-enabled storefronts, with normal business hours and fees of about 30 cents per patient. *The New York Times* reported that these centers, now numbering more than 50, boosted market penetration to almost 30 percent within a single year.

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