

## Aravind Eye Hospital 2000: Still in the Service of Sight

**Co-Authors:** Rogers, B.

**Date:** 2000

**Introduction:**



By 2000, Aravind Eye Hospital had grown significantly in terms of service delivery and infrastructure. A fourth hospital was set up in Coimbatore in January 1997, and plans were underway in mid-2000 to set up a fifth hospital in Pondicherry. (*Refer to Exhibit 1 to view a map of Indian states and the Tamil Nadu region.*)

Between 1992 and 1999, the number of surgeries performed annually at the Aravind hospitals had tripled to over 180,000. Aravind also treated nearly 1.3 million patients in 1999, which was more than twice the number treated in 1992. Aravind posted strong financial results in 2000 and continued to be self-sufficient as it looked for ways to improve and expand its service. (*Refer to Exhibits 2 to 4 to review the financial and operating performance of the Aravind Eye Hospitals.*)

## Aurolab

Back in 1992, Aravind set up Aurolab mainly to produce intraocular lenses (IOLs). Aravind had learned over the years that the most successful treatment of cataract blindness involved implanting an intraocular lens. By 1999, approximately 97% of patients undergoing cataract surgery received an IOL implant.

Figure 1: Aravind Eye Hospital Surgery Details from 1992-1997

Year	Cataract	Cataract with IOL	Other Surgeries	Total
1992	30,704	16,258	14,053	61,015
1993	28,755	25,260	14,946	68,961
1994	28,962	36,287	16,466	81,715
1995	27,246	50,003	18,424	95,673
1996	24,503	63,143	20,169	107,815
1997	21,806	78,571	22,716	123,093
1998	13,098	118,078	26,651	157,827
1999	5,439	146,616	31,113	183,168

Source: Aravind Eye Hospital

The fee for IOL surgery at the free section had remained constant at Rs 500<sup>1</sup> since 1992. Under the District Blindness Control Scheme, which was initiated by the government with World Bank funding, even the Rs 500 fee was waived for patients recruited through eye camps. It was also waived for the walk-in “free” patients who could not afford to pay even this amount.

Initially, Aravind only produced intraocular lenses to meet internal needs. Once the production volume increased, the lenses were made available to other non-profit institutions in India and to other countries at a subsidized price. Since its inception, Aurolab had supplied over 600,000 lenses to over 80 countries. Almost 80% of these lenses were sold to non-profit institutions. By mid-2000, Aurolab had diversified to produce pharmaceuticals and micro-sutures used in eye surgery.

### *Lions Aravind Institute of Community Ophthalmology*

During the early 1990s, Aravind began to collaborate with the Lions Clubs International Foundation, a well-known community service organization. By mid-2000, the Lions Clubs had grown to over 1.4 million members in more than 180 countries. The organization had become recognized worldwide for their sight-related programs, including SightFirst, the world’s largest blindness prevention program.

To finance SightFirst projects, the Lions Clubs raised over \$140 million over a three-year period starting in 1990. Humanitarian organizations from around the

**To download this Case Study please visit [ecch.cranfield.ac.uk](http://ecch.cranfield.ac.uk)**