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About the Organization

Deloitte provides industry-leading audit, consulting, tax, and advisory services to many of the world's most admired brands, including 70% of the Fortune 500.

It functions across more than 20 industry sectors with one purpose: to deliver measurable, lasting results.

Deloitte helps reinforce public trust in our capital markets, inspire clients to make their most challenging business decisions with confidence, and help lead the way toward a stronger economy and a healthy society. We have more than 210,000 professionals at member firms delivering services in more than 150 countries and territories. These firms are members of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). Each DTTL member firm provides services in particular geographic areas and is subject to the laws and professional regulations of the particular country or countries in which it operates.

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Their long existence in the Indian professional arena supplements the technical proficiency of the client service teams to create powerful business solution tailored to the client's need.

Deloitte focus primarily on clients, and takes pride in the ability to provide quality services - whether they are an owner-managed business or a large multinational corporation.

We are a multi-skilled, multi-disciplined firm, offering clients a wide range of industry-focused business solutions.

Our team recruits the brightest and the best amongst all – irrespective of their specialization. As a firm we combine the dynamism and fluid-thinking of the young graduate, with the business knowledge and insight of the seasoned executive.
Investing in the people means Deloitte clients get world-class expertise to solve their complex business problems.

Vision:

Our vision and strategy, developed in collaboration with leadership and member firm partners from around the world, focuses on working together As One across geographic, functional, and business borders to deliver excellence in all of the services provided by the member firms.
Our vision is unchanging: We aspire to be the Standard of Excellence, the first choice of the most sought-after clients and talent.

Core beliefs:

Exceptional organizations have distinct cultures, which they clearly articulate and uncompromisingly live. At Deloitte we share seven core beliefs that capture the essence of what makes us – and keeps us – special. These beliefs should ring familiar as essential qualities of "being" Deloitte, no matter how big we grow or how we evolve our strategy.

1. **Clients:** We believe in serving clients with integrity, objectivity, and distinction. We build trust and deliver the highest quality services that generate extraordinary value for our clients, the capital markets, and other stakeholders.
2. **People**: We believe in investing in our people for life. We attract, develop, and deploy the very best people. We draw strength from our diversity and the trust we share. We mentor and challenge colleagues to shape future leaders.
3. Partnership: We believe in fostering our partnership culture. Our partners and directors display a sense of ownership that represents a wonderful aspect of our culture and serve as a source of aspiration for our people.
4. **Corporate responsibility**: We believe in acting as responsible business citizens. We recognize that as individuals and as an organization, we must contribute to our communities and the larger business world in which we live and work.

5. **One Deloitte:** We believe in delivering the strength of One Deloitte. We are made up of many distinct practices and global member firms united by shared values and beliefs. We celebrate this union.
6. **Performance**: We believe in sustaining exceptional performance. We consistently achieve strong financial results, which allow us to realize firm objectives that create value for our clients, people, partners, and other stakeholders.
7. **Profession leadership:** We believe in defining and leading our profession. We are proud of our distinctiveness and bring innovative thinking to each market we serve. We believe that nothing is more important than our reputation.

Values:
Our shared values are timeless. They succinctly describe the core principles that distinguish the Deloitte culture.

Integrity: We believe that nothing is more important than our reputation, and behaving with the highest levels of integrity is fundamental to who we are. We demonstrate a strong commitment to sustainable, responsible business practices.

Outstanding value to markets & clients: We play a critical role in helping both the capital markets and our member firm clients operate more effectively. We consider this role a privilege, and we know it requires constant vigilance and unrelenting commitment.

Commitment to each other: We believe that our culture of borderless collegiality is a competitive advantage for us, and we go to great lengths to nurture it and preserve it. We go to extraordinary lengths to support our people.

Strength from cultural diversity: Our member firm clients' business challenges are complex and benefit from multidimensional thinking. We believe that working with people of different backgrounds, cultures, and thinking styles helps our people grow into better professionals and leaders.

Key Learnings:

HEALTHCARE SYSTEM: USA

The healthcare system in United States is characterized by a mix of public and private funding and as such is not governed by a single philosophy. The unique aspect of U.S system in the world is the dominance of private element over public element.

The following is the list of all segments of healthcare:

1) Payer
2) Provider
3) PBMs
4) Government Healthcare
5) Employers
6) Pharmaceuticals and Life Sciences

The main objective of this section is to facilitate an understanding of the structural and conceptual basis for the delivery of health services and provide a broad understanding of how healthcare is delivered in United States. Subsequently we will take into account the Indian system of healthcare and recognize its shortcomings in comparison to the U.S healthcare system. The table below displays the complexity of the healthcare delivery in United States. Several individuals and organizations are involved in healthcare. These range from insurers, payers, pharmaceutical companies, and claims processors to healthcare providers.

Suppliers	**Insurers**	**Payers**	**Providers**	**Government**
Pharmaceutical companies	**Managed Care Plans**	**Blue Cross/ Blue Shield plans**	**Preventive Care** Health Departments	**Public Insurance financing**
Multipurpose suppliers	**Blue Cross/ Blue Shield Plans**	**Commercial Insurers**	**Primary Care** Physician offices Community Health Centers	**Health regulations**
Biotechnology	**Medicare**	**Employers**	**Acute Care**	**Health Policy**

Companies			Hospitals	
	Medicaid	**Third-party administrators**	**Auxiliary Services** Pharmacists Diagnostic clinics Medical equipment suppliers	**Public Health**
	Self–insured employers		**Rehabilitative Services** Home health agencies Skilled nursing facilities	**Research Funding**
	Commercial Insurers		**Continuing Care** Nursing Homes	

U.S healthcare is not a network of inter-related components designed to work together coherently, but it is a kaleidoscope of financing, insurance, delivery, and payment mechanisms.

Provider Systems/Models:

Healthcare Delivery System 1- Traditional

Healthcare Provider System 2- Hospital

Healthcare Provider System 3 – Managed Care

Payer Systems/Models

Healthcare Payer Model 1-Employer

PUBLIC SECTOR HEALTH PROGRAMS:

Two healthcare programs are dominant in the United States – Medicare and Medicaid. Medicare is the federal government's health programs that primarily serves Americans over the age of 65, whilst Medicaid is a joint federal – state programs principally designed to finance healthcare for the poor. Both provide care for the disabled.

Public Health Insurance:

Medicare:

- Basics: Medicare is a federal program that covers individuals aged 65 and over, as well as some disabled individuals.
- Administration: Medicare is a single-payer program administered by the government; single-payer refers to the idea that there is only one entity (the government) performing the insurance function of reimbursement.
- Financing: Medicare is financed by federal income taxes, a payroll tax shared by employers and employees, and individual enrollee premiums (for parts B and D).
- Benefits: Medicare Part A covers hospital services, Medicare Part B covers physician services, and Medicare Part D offers a prescription drug benefit. [Medicare Part C refers to Medicare Advantage – HMO's that administer Medicare benefits].

There are many gaps in Medicare coverage, including incomplete coverage for skilled nursing facilities, incomplete preventive care coverage, and no coverage for dental, hearing, or vision care. Because of this, the vast majority of enrollees obtain supplemental insurance. Overall, seniors pay about 22% of their income for health care costs despite their Medicare coverage.

Medicaid:

- Basics: Medicaid is a program designed for the low-income and disabled. By federal law, states must cover very poor pregnant women, children, elderly, disabled, and parents. Childless adults are not covered, and many poor individuals make too much to qualify for Medicaid.

States have the option of expanding eligibility if they so choose. For example, states can choose to increase income eligibility levels.

- Administration: The states and the District of Columbia are responsible for administering the Medicaid program; as such, there are effectively fifty-one different Medicaid programs in the country.
- Financing: Medicaid is financed jointly by the states and federal government through taxes. Every dollar that a state spends on Medicaid is matched by the federal government at least 100%. In poorer states, the federal government matches each dollar more than 100%. Overall, the federal government pays for 57% of Medicaid costs.
- Benefits: Medicaid offers a fairly comprehensive set of benefits, including prescription drugs. Despite this, many enrollees have difficulty finding providers that accept Medicaid due to its low reimbursement rate.

Other public systems

S-CHIP: The State Children's Health Insurance Program (S-CHIP) was designed in 1997 to cover children whose families make too much money to qualify for Medicaid but make too little to purchase private health insurance. S-CHIP and Medicaid often share similar administrative and financing structures.

Private Health Insurance

Employer – sponsored Insurance

- Basics:

  Employer-sponsored insurance represents the main way in which Americans receive health insurance. Employers provide health insurance as part of the benefits package for employees.
- Administration:

  Insurance plans are administered by private companies, both for-profit (e.g. Aetna, Cigna) and non-for-profit (e.g. Blue Cross/Blue Shield).
- A special case is represented by companies that are "self-insured" – that is, they pay for all health care costs incurred by employees directly. In this case, the company contracts with a third party to administer the health insurance plan. Self-insured companies tend to be larger companies such as General Motors.
- Financing:

Employer-sponsored insurance is financed both through employers (who usually pay the majority of the premium) and employees (who pay the remainder of the premium). In 2005, the annual private employer-sponsored insurance premiums averaged $4,024 for single coverage and $10,880 for a family of four.[5]

- Benefits:

  Benefits vary widely with the specific health insurance plan. Some plans cover prescription drugs, while others do not. The degree of cost-sharing (co-pays and deductibles) varies considerably.

Private non – group

- Basics:

  The individual market covers part of the population that is self-employed or retired. In addition, it covers some people who are unable to obtain insurance through their employer. In contrast to the group market (employment-based insurance), the individual market allows health insurance companies to deny people coverage based on pre-existing conditions.

- Administration:

  The plans are administered by private insurance companies.

- Financing:

  Individuals pay an insurance premium out-of-pocket for coverage. Risk in the individual market depends only on the health status of the individual, in contrast to the group market, in which risk is spread out among multiple individuals. As such, low-risk, healthy patients will have a low premium, whereas the opposite is true for high-risk, sick patients.

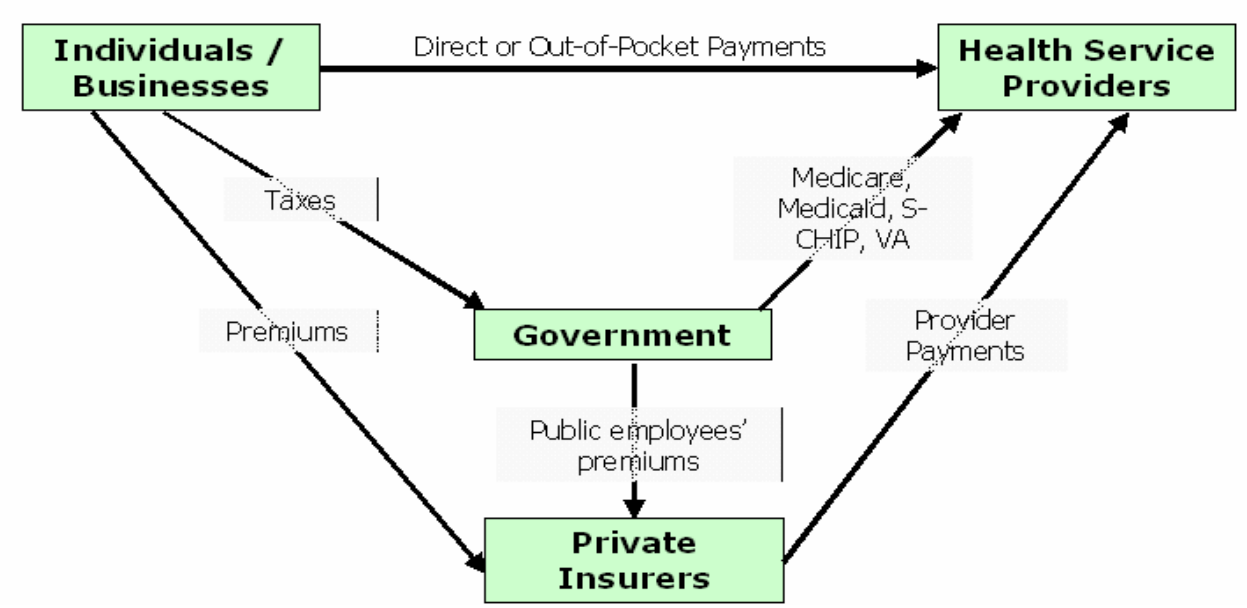
- Benefits:

  Benefits vary widely with the specific health insurance plan.

Financing of the U.S healthcare system

The financing of health care centers around two streams of money: the collection of money for health care (money going in), and the reimbursement of health service providers for health care (money going out). In the United States, the responsibility for these two functions is shared by private insurance companies as well as the government, both of which

are known in policy terms as "payers." As such, the United States can be thought of as a "multi-payer" system.



Individuals and businesses

Taxes**:**

Both individuals and businesses pay income taxes to the government. In addition, there is a payroll tax on employers and employees to finance Medicare.

Premiums:

Businesses pay all or most of the premium for employer-based insurance for employees, and employees pay the remainder. On the individual market, individuals pay for all premiums out of pocket. Employer-based insurance premiums and individual insurance premiums are collected by private insurers.

Direct or out-of-pocket payments:

This is a direct payment to a provider for health care services (e.g. a co-payment).

Government

Medicare, Medicaid, S-CHIP, and the VA:

The government uses money generated from taxes to reimburse providers who take care of patients enrolled in these programs.

Public employees' premiums:

The government also uses tax dollars to pay private insurers a health insurance premium for federal employees and other public employees.

Tax subsidy**:**

There is a tax subsidy of employer-based insurance (not shown in the graph) that represents a major cost to the government (on the order of $100 billion). Employees receive health insurance benefits as tax-free compensation, and employers are able to deduct health insurance benefits as a cost of doing business. [Since employers are only taxed on profits, defined as any income above the cost of doing business, being able to deduct health insurance benefits as a cost of doing business is a tax subsidy for employers].

• **Private insurers**

Private insurers accept premiums from individuals, businesses, and the government. In turn, they reimburse providers for taking care of patients with private insurance.

• **Health service providers**

Providers (doctors, allied health professionals, hospitals, and other health care facilities) take care of individuals. They are reimbursed for their services by private insurers and the government.