A PRESENTATION ON DISSERTITION REPORT

<u>TOPIC:</u>- TO ASSESS THE FACTORS AFFECTING GROWTH OF MEDICAL CROWDFUNDING INDUSTRY IN INDIA

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BATCH – 2019-21

ROLL NO.- 0871

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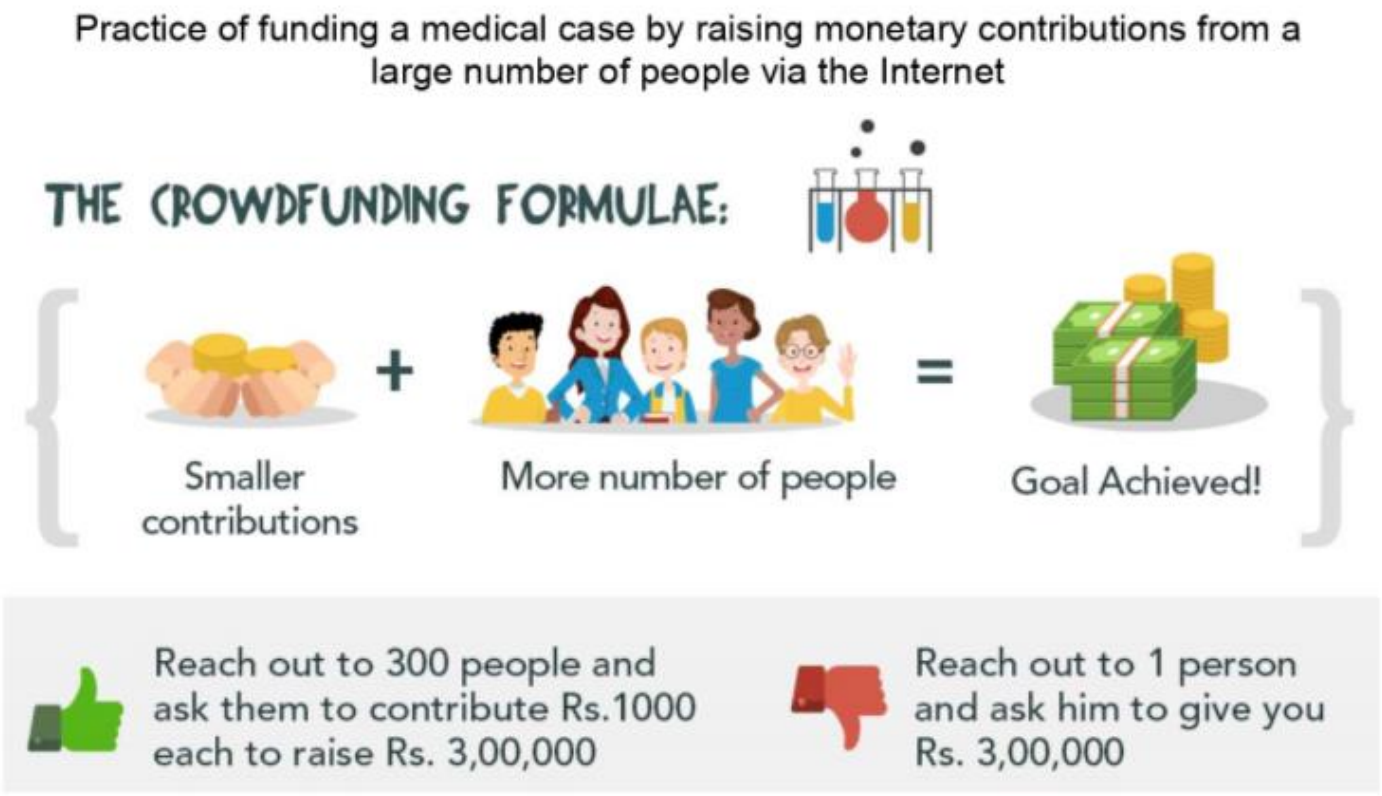
INTRODUCTION

CROWDFUNDING



- Medical crowdfunding has become a key source of financial aid in India, where healthcare finance is a subject of concern, particularly in times of medical crises.

- Medical crowdfunding, at its most basic level, aims to turn the crowd's financial power into a safety net for individuals who are unable to access public or private healthcare.

- According to global statistics, the average time it takes to diagnose a rare disease is seven years.

SMA Type 1 cases can be identified as early as birth. However, for families suffering with a condition like this, the battle to purchase this miraculous medicine is a burden. **Zolgesma**, a treatment for SMA, costs USD 2.1 million (approximately Rs. 16 crores).

- In the face of financial distress in a medical situation, online crowdfunding has worked wonders to help patients receive timely treatment even in the rarest of cases and has given hope to millions of other families and individuals who are struggling to give access to quality healthcare to their loved ones due to lack of funds.

Research question:

- How has higher medical cost in India led to growth of medical crowdfunding
- How social media presence has affected the rise in crowdfunding.
- What are the other factors responsible for growth of crowdfunding

Objectives:

The objectives of this study is to:-

- To assess the factors responsible for rise in medical crowdfunding in India
- To assess the role of Indian users social media platforms leading to increase in medical crowd funding in recent years.

LITERATURE REVIEW

SERIAL NO. 1		STUDY LOCATION		FINDINGS
1.	Public health foundation of India, Manavi Kapoor	India, 2018		According to the government's own calculations, the 1.3 billion-strong country spends only 1.28 percent of its GDP on health. Public healthcare isn't universally free; instead, it's a patchwork of free or subsidized medical care services that vary by state and don't often cover more serious treatment
2	Journal of medical internet research	2020	Data-driven study using a visual analytic approach	The veracity of endorsements, as well as their importance in influencing potential donors, should be regulated by social media corporations. As the presence and popularity of crowdfunding technology platforms grows, more social, political, and economic challenges will be investigated.

3	Journal of health economics	2016		it takes approximately $2.6 billion and more than 10 years to create a single new drug. Only 14% of drugs in clinical trials ultimately receive FDI approval since a significant amount of drug research does not succeed
4	Anand Kulanthaivel, Donald Juzwishin, Manthan Janodia, and Robert Lee	United states, 2020	This data-driven study used a visual analytics approach	In general, crowdfunding is being used for the development of community or social projects. Health care can be considered both a community and social project because it incorporates programs such as poverty reduction and child education. In this context, medical crowdfunding has emerged as a growing area of opportunity for crowdfunding

METHODOLOGY

- It is an exploratory research study used to investigate an issue which is not clearly defined. It was conducted to have a better understanding of the existing scenario, but will not provide conclusive results. It is an open-ended study.

- The data for the study was collected using various CAGR reports and economic reports.

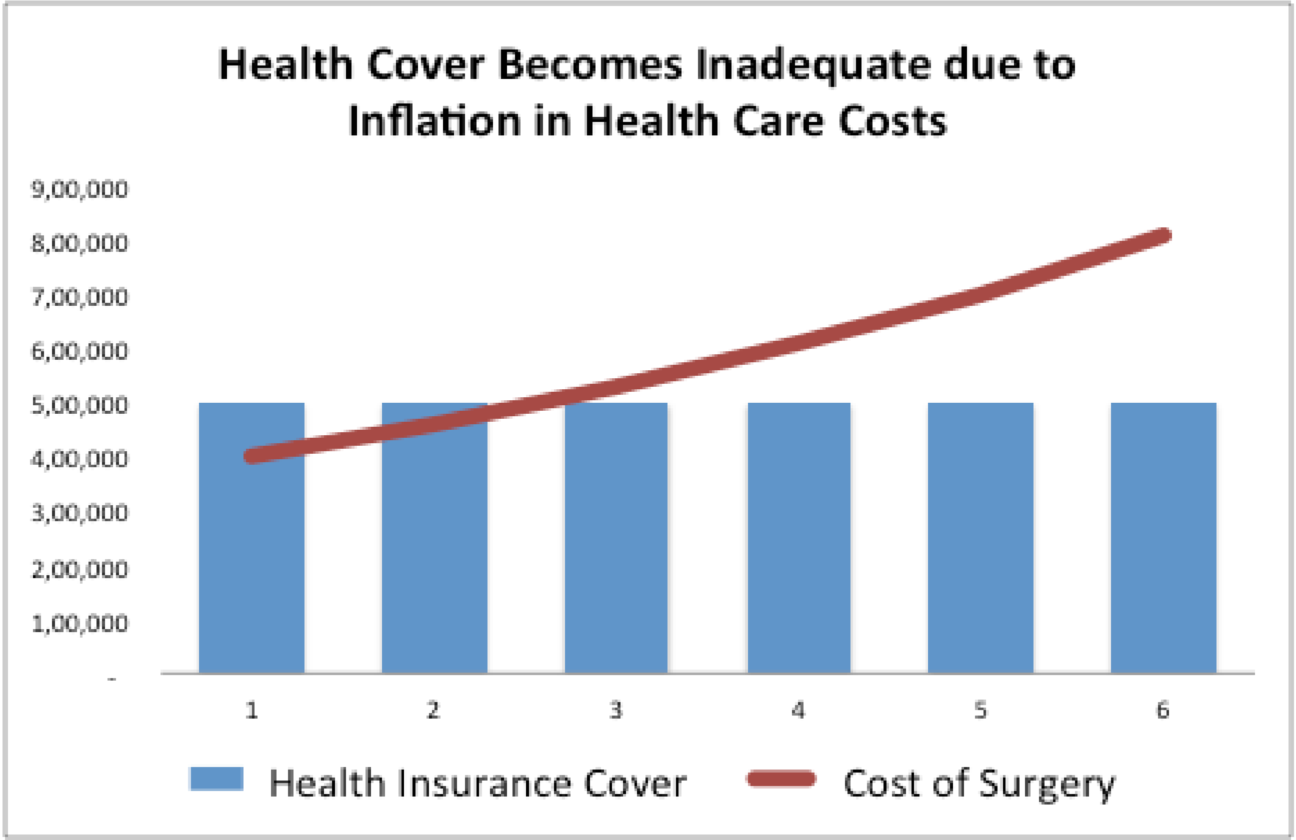
- A pattern was identified regarding social media users, data collected from the global statistics site statista.com

FINDINGS

Factors responsible for increase in medical crowdfunding

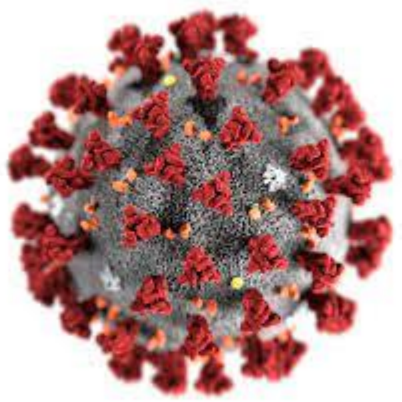
1.Rising medical cost

- Indians are underinsured, public health-care plans are inadequate, and private medical care is prohibitively expensive.
- Medical crowdfunding portals like **Milaap, Ketto, and ImpactGuru** have helped bridge the gap between the country's private and public healthcare systems.
- According to government estimates, the 1.3 billion-strong country spends only 1.28 percent of its GDP.
- Rather than being universally free, public health care consists of a patchwork of free or subsidized primary care services that vary by state and frequently do not cover more extensive treatment. As a result, India has one of the world's highest rates of out-of-pocket medical spending.



<u>Comparison of treatment cost vs health insurance cover</u>

2. COVID-19

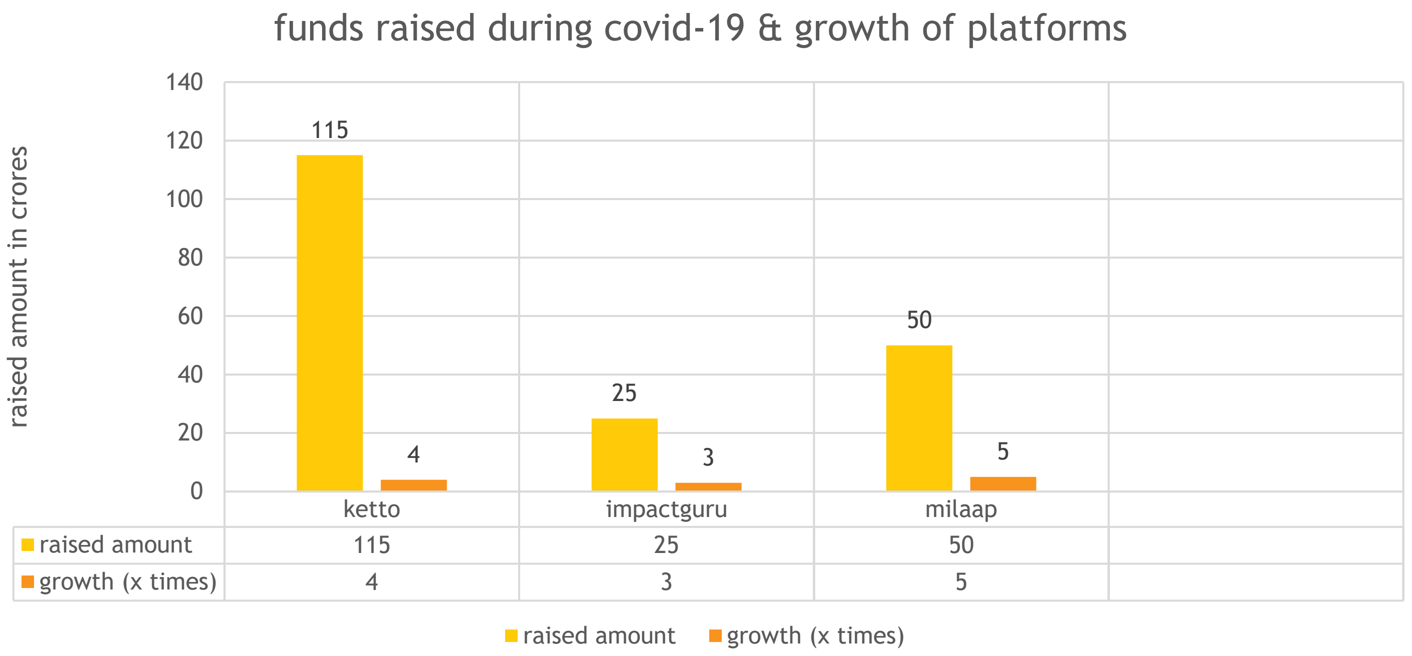


- The second wave of covid-19 has seen some dramatic addition of complications in patients infected with covid. The disease itself cost around 3-4 lakhs in private hospitals in the year 2020.

- But this year, it came along with more complications like black fungus, white and yellow fungus, leading to lung transplant, extraction of eyeballs in many patients. The lung transplant along with ICU care cost around 40-45 lakhs.

- Patients on ECMO support machine, had a treatment estimate of around 50-60 lakhs. Breaking the economic backbone of many households.

- Many families resorted to crowdfunding on various online crowdfunding campaigns, namely Ketto, milaap and Impactguru.



Funds raised by these platforms during covid-19 pandemic.

3. Rare diseases

Rare diseases present society and healthcare systems with unique problems.
This is demonstrated by the fact that just 5% of the 7000+ globally diagnosed rare diseases have therapies available in the country.
So far, over 450 such illnesses have been identified in India, with about 80% of them having a genetic origin and diagnosis still proving difficult.
India needs to take this issue seriously.
Most genetic abnormalities are estimated to cost between INR 1.8 and 17 million to treat, according to the Ministry of Health and Family Welfare (MoHFW). Given the exorbitant expenses, a plan for a long-term funding system is urgently needed to ensure that patients with rare diseases may continue to receive treatment.
Some of the common rare diseases in India :-

- Spinal muscular atrophy
- hemophilia
- thalassemia
- sickle cell anemia
- Pompe's disease
- cystic fibrosis
- Gaucher's disease
- Lysosomal storage disease
- hunters disease

RARE DISEASE	TREATMENT COST	Treatment procedure
Spinal muscular atrophy	16 crore for 1 injection	Single dose of injection Zolgesma
Hemophilia	12-13 lakhs annually	Weekly injections, decompression procedures
Thalassemia	14-15 lakhs anually	Bone marrow transplant
Sickle cell anemia	11-12 lakhs anually	Bone marrow transplant
Pompe’s disease	48-50 lakhs	Enzyme replacement therapy
Cystic fibrosis	20-25 lakh	Lung transplant
Gaucher’s disease	40 lakh- 1 crore	Enzyme replacement therapy
Lysosomal storage disease	30 lakh	Enzyme replacement therapy
Hunter’s disease	60 lakh- 1.5 crore	Stem cell transplantation

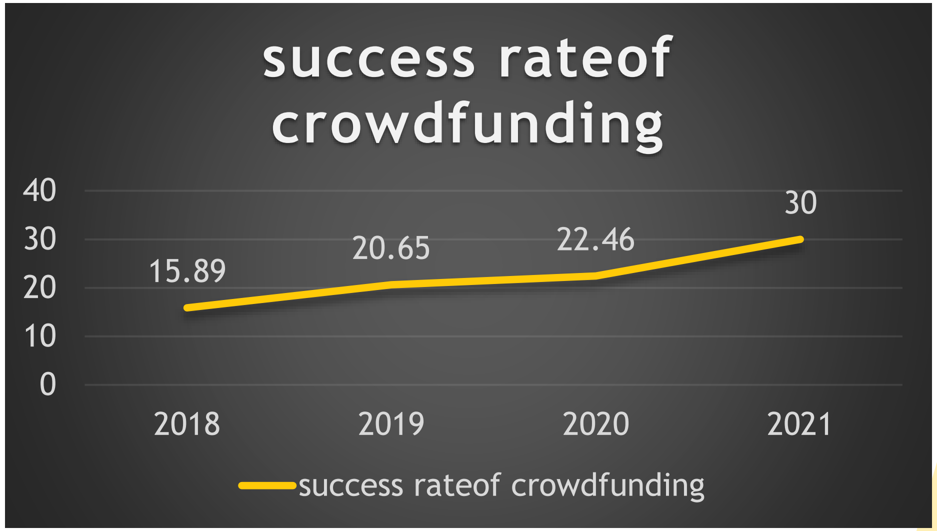
Representing treatment cost of rare diseases in India along with their treatments

- ❑ All these rare diseases exceeds even the insurance limit provided by under government schemes. Therefore, since recent years crowdfunding has proved to be a best option to raise funds to payoff such hefty amount for these treatments.
- ❑ Health insurance schemes has its own limitations, 5 lakh coverage under ayushman bharat scheme is not enough to cover the expenses of these rare diseases.

4. SOCIAL MEDIA PRESENCE

A crowdfunding campaign's success hinges on its ability to raise funds. It is critical to publicise and promote a campaign on a big scale using social media in order for it to be successful.

Year	Share of population (in %)
2015	19.31
2016	22.99
2017	29.49
2018	35.44
2019	46.44
2020	50.44
2021	54.58



By 2020, more than half of India's population will have used social media. By 2025, it is expected that 67 percent of the country's population would have access to social media.

CONCLUSION

While traditional healthcare finance options such as medical insurance are available, many terminally ill patients may find that online crowdsourcing is the best option!

While claiming insurance money can take days, which is inconvenient for someone who needs treatment right away, crowdsourcing allows for more flexible withdrawal of funds for urgent therapies.

In the case of SMA, the cost of health insurance is dependent on the treatment necessary. Given the increasing health issues as people get older, age is also a significant role. As a result, there is a large cost difference between buying health insurance at 30 and 50. Medical insurance also does not cover any pre-existing conditions that a person may have.

When people do not have medical insurance or are unable to obtain a medical loan, crowdfunding has shown to be a more viable option. When it comes to flexibility, crowdfunding gives you the ability to launch a fundraising in under 5 minutes, raise any amount of money you need, and extend your fundraiser if you need more money.

Most middle-class households cannot afford health insurance because it is an expensive service. Medical emergencies strike without warning, and crowdfunding allows families who are unable to cover the costs to share the burden.

REFERENCE

- **HarmeetKaur[a]JayaGera[b] Effect of Social Media Connectivity on Success of Crowdfunding Campaigns.**

- **Understanding the Dimensions of Medical Crowdfunding: A Visual Analytics Approach**

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- **https://globalizationandhealth.biomedcentral.com/articles/10.1186/s12992-019-0519-1#auth-Nora_J_-Kenworthy Crowdfunding and global health disparities: an exploratory conceptual and empirical analysis**