

Comparative Study of Medical Tourism in India

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Abstract

Medical Tourism is generally referred as travelling from developed countries to other parts of the world by the patients for medical care with the intention to get medical intervention at a comparative lower cost with comparative lesser waiting period, and medical facilities at par with international norms. The genesis of India as a favorite medical tourism destination, among various medical tourism hot spots like Singapore, Thailand, Malaysia, etc, is primarily because of world class treatment facilities at a cheaper price and lower waiting time along with geographic and climatic advantages. As India goes on with to open up its health care industry, encouraging public-private partnerships, and otherwise lessening precincts on foreign investment, modernization and adaptation are fueling new health care delivery models. Still there is a long way to go, with Indian government spending just 0.9 percent of its gross domestic product on healthcare, which is least when compared with spending by BRIC countries, leaving doubts whether India would be able to face competition in this field. The rapidly increasing reported cases of medical negligence are also a major concern. The objective of present paper is to identify various key factors ensuing in Medical Tourism, prepare a comparative analysis of medical tourism in India with other countries, advantages available to India, hurdles faced by the medical tourists in India and measures to prevail over these hurdles. The methodology used is secondary data analysis with the help of excel tools.

Keywords: *Medical Tourism, Foreign Patients, Health seeking travelers, Challenges of Medical Tourism, Healthcare Tourism*

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Introduction

Medical Tourism is generally referred as travelling from developed countries to other parts of the world by the patients for medical care with the intention to get medical intervention at a comparative

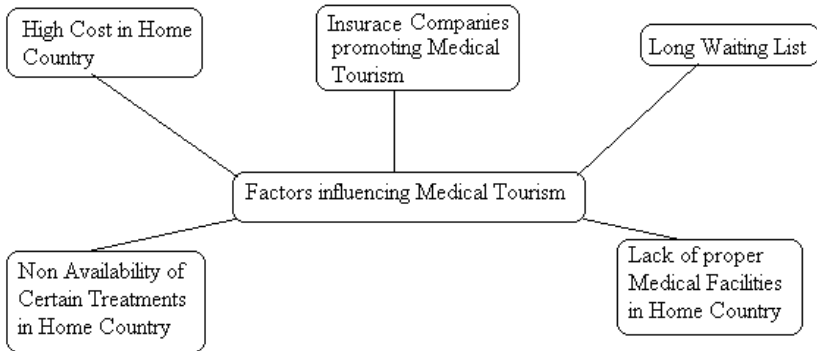
lower cost. Not only the costs, but there are also other various driving factors behind such a trend, e.g. mounting cost of insurance and surgery, long waiting list, non-availability of certain treatments due to various rules and regulations in developed countries, e.g. abortions are prohibited in several countries or are constrained to early periods of pregnancy. Deficiency in medical facilities may also results in outbound medical tourism to other countries. Also other medium term factors encouraging growth in medical tourism includes pressure of healthcare resources in western countries, worldwide recession, increasing value of dollar vis. a vis. other currencies, mobility of specialists, improved healthcare facilities etc. Normally, patients travel from one country to another for various types of treatment like Cosmetic surgery, Dentistry, infertility treatment, joint and hip replacement etc.

Objective and Research Methodology

The objective of present paper is to identify various key factors ensuing in Medical Tourism, prepare a comparative analysis of medical tourism in India with other countries, advantages available to India, hurdles faced by the medical tourists in India and measures to prevail over these hurdles. The methodology used is secondary data analysis with the help of excel and SPSS tools.

Why Medical Tourism

There are various motivating factors behind increasing medical tourism, e.g. mounting cost of insurance and surgery, long waiting list, non-availability of certain treatments due to various rules and regulations in developed countries, e.g. abortions are prohibited in several countries or are constrained to early periods of pregnancy. Further some countries may be deficient in medical facilities resulting in outbound medical tourism to other countries.



Low Medical Cost

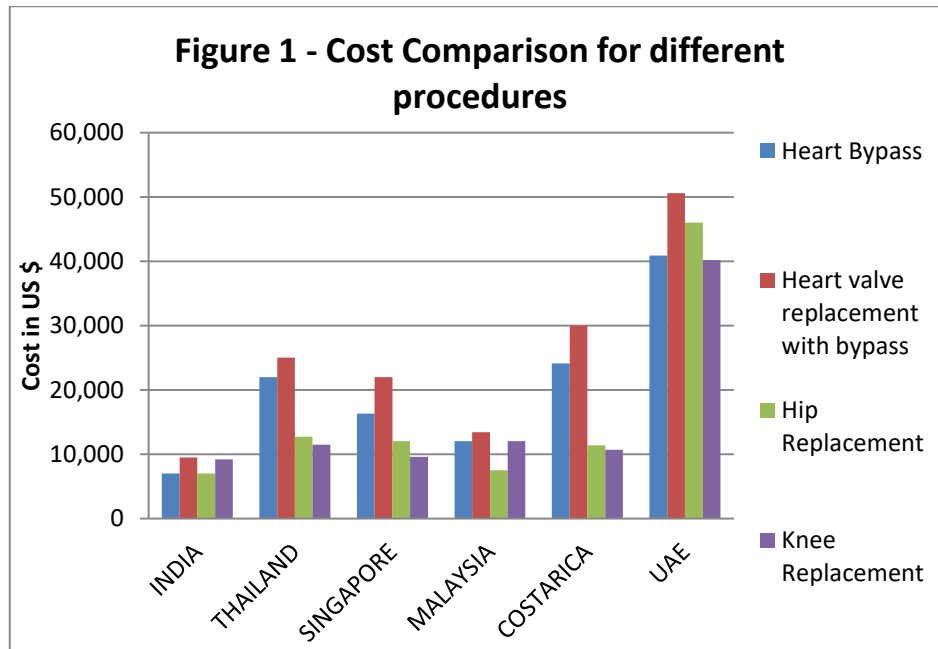
The foremost reason of medical travelling for treatments is the soaring medical costs as many patients do not have proper medical insurance, and when in need of surgery they cannot afford to pay for it. According to Treatment Abroad, a website focusing on medical tourism services, there can be huge saving by getting a treatment in India instead of at UK, like Coronary Angioplasty [by 62%], Arthroscopy [57%], Gall Bladder Removal [68%], Liposuction[53%], Total Knee Replacement[62%] etc. Also the cost of Rhinoplasty (nose-resaping) in Croatia, Egypt or Turkey is around £1,500, compared with between £3,000 and £4,000 in the UK, while in India; Rhinoplasty will cost just £850.

Table 1 – Cost Comparison among different countries for various medical procedures [in US \$]

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(Source – My NRI club.com, retrieved from <http://www.mynriclub.com/site/Medical-Tourism/Cost-comparison-Medical-Treatment-or-Surgery-in-India>)



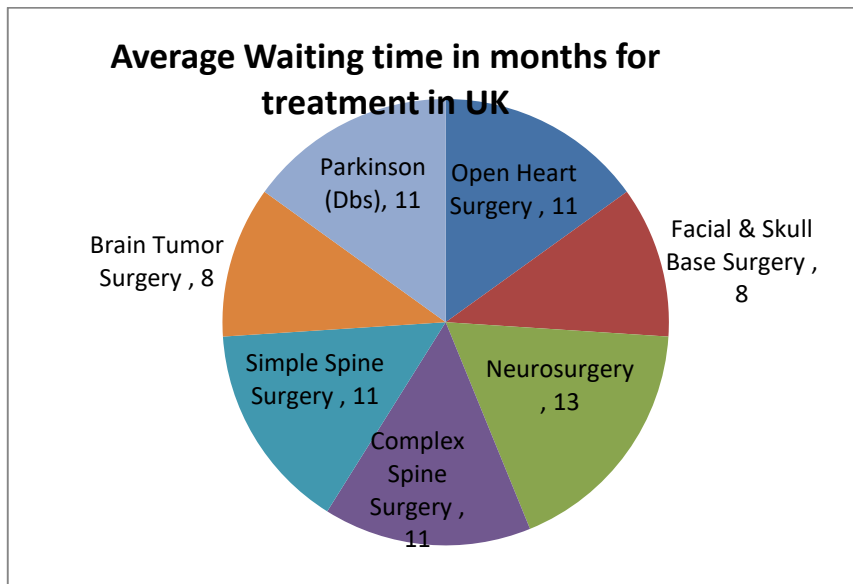
Long Waiting List

Second major factor for seeking medical tourism by patients is the long waiting list in their home countries. People may choose to have surgical procedure in their own stipulations, earlier than later. Patients will rather not want to live in distress for extensive period of time and relatively have the same surgery in a foreign country much faster. Normally in western countries it takes a couple of weeks to get an appointment with a general practitioner, 3 weeks waiting period for a radiology procedure like ultrasound-abdomen and more than 3 months to get an appointment with a coronary care physician or neurosurgeon, though emergencies are attended to immediately.

Table 2 - Approximate Waiting Time for various Treatments

Nature of treatment	. Waiting time in USA / UK(in
Open Heart Surgery	9-11
Facial & Skull Base Surgery	6-8
Neurosurgery	12-14
Complex Spine Surgery	9-11
Simple Spine Surgery	9-11
Brain Tumor Surgery	6-8
Parkinson (Dbs)	9-11
Hip Replacement	9-11

Source – Health Line, <http://www.medical-tourism-india.com/Cost-Comparison.php>



The distance offers anonymity. Some medical procedures have become small but significant parts of medical tourism, especially in Thailand, where transformation to a new personality may be

achieved at a distance from customary daily life. Similarly, cosmetic surgery patients may prefer recuperation in a relatively unknown environment.

Medical Tourism – International Scenario

Medical tourism has grown in various countries, such as India, Singapore and Thailand, many of which have purposely linked medical care to tourism in order to boost the attractions of the country. As per a Renub Research report titled ‘Asia Medical Tourism Analysis and Forecast to 2015’, published in 2012, more than 80% market share would be controlled by three Asian countries Thailand, India and Singapore. Thailand is the leader in medical tourist arrivals holding more than 40% share in Asia medical tourist arrivals in 2011, whereas Singapore medical facilities are considered to be the best in Asia and medical tourist arrivals are expected to be more than 1 Million by 2015. The current position in major medical destinations, i.e. Singapore, Malaysia, Thailand, South Korea, Costa Rica and India, is discussed hereunder.

Singapore

Fifteen hospitals and medical centers in Singapore have obtained Joint Commission International (JCI) accreditation, from the United States' main hospital accreditation agency JCI, whereas eleven hospitals have been certified by the International Organization for Standardization (ISO). Singapore's healthcare system has been ranked as the best in Asia and sixth best in the world in World Health Organization's World Health Report 2000 - Health Systems. In 2002, Singapore was ranked as the second safest city in the world in a Mercer Human Resource Consulting's survey. However due to higher treatment cost as compared to its competitors, it is losing shine.

Malaysia

Malaysia medical tourism market has grown more than 8 times in 2011 compared to its market in 2003. With 8 JCI accredited hospitals, revenue from Medical Tourism has been increased from 33

RM million in 2000 to 511 RM million in 2011. The total number of foreign patients have increased from 75,210 in 2001 to 5,83,296 in 2011, representing an average growth rate of 27.37%. The Malaysian Healthcare system has a well-diversified source of medical travelers with majority coming from Indonesia for cosmetic surgery, dental and cardiac treatment. MHTC is now targeting medical tourists from neighboring countries [like Bangladesh, China, Korea, Nepal and Myanmar], and is also working with travel agencies, insurance companies and big corporations in these countries to expand its market.

Thailand

As per a report by Department of Health Service Support chief Somchai Pinyopornpanich, medical tourism in Thailand shows a growing trend, from 1.37 million foreigners in 2007 generating revenue of Bt41 billion, to 2.24 million tourists in 2011 generated Bt97.8 billion. The most popular treatments are for orthopedics, heart surgery, cosmetic surgery and dental work, with medical travelers primarily coming from Japan, USA, UK, Middle East and Australia. There are in total 18 accredited hospitals and clinics serving the medical patients.

South Korea

With 11 JCI accredited hospitals in South Korea, the number of foreign patients was 81,789 as of 2010, spending a combined 117 million dollars in Korea, (including 95 million dollars on medical expenses and 21 million dollars on tourism) as per Korea Health Industry Development Institute. With the most developed medical infrastructure in the country, Seoul is by far the main destination for foreign medical tourists. As per Hyundai Research Institute Report, South Korea's poor performance on medical tourism sector is mainly attributable to disproportionate regulations on local hospitals, e.g. South Korean hospitals are not allowed to have foreign patients exceeding 5% of their capacity, and medical specialists with foreign licenses have limited freedom in working for local institutions.

Costa Rica

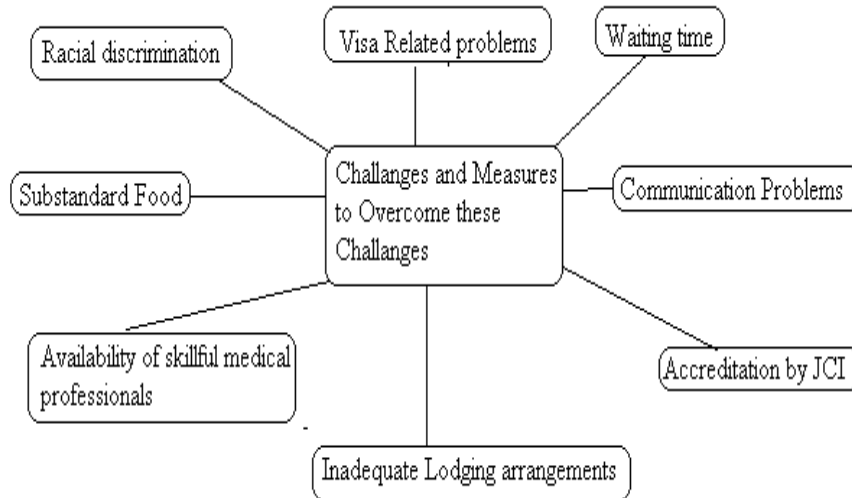
As per data provided by International Promotion for Costa Rican Medicine (PROMED), 48,253 medical tourists visited Costa Rica in 2011, with average amount spent per medical tourist of \$7,000, producing approximately \$337.7 million dollars in revenue. In 2010, the county received approximately 36,000 medical tourists, (a 20% increase over 2009), generating revenue of approximately \$252 million dollars. Costa Rica has 3 JCI accredited hospitals, and popular among health travelers for dental work, surgery-related work like orthopedics, general surgery, plastic surgery and gynecology etc.

India

India is having its own healthcare accreditation body National Accreditation Board for Hospitals and Healthcare Providers (NABH), set up by Quality Council of India (QCI), an organization of Government of India. Before granting accreditation, NABH put special focus on control and prevention of infections in hospitals, practicing good patient care protocols e.g. special care for critically ill patients, patient safety and patient rights and benefits. There are 16 JCI accredited and 63 NABH accredited hospitals.

As per one estimate by PWC, the Indian Healthcare Sector should be worth about \$40 billion by 2012. CII in its study has estimated that Healthcare in India is generating approximately \$30 billion as revenue, constituting 5% of GDP and offering employment to around 4 million people. Medical tourism sector is valued to be worth over \$310 million with approx. 1 lakh foreign patients coming every year and is expected to experience an annual growth rate of 30 %, making it a Rs. 9,500 crore industry by 2015. In 2011, Indian Institute of Tourism and Travel Management conducted a “Study of Problem and Challenges Faced by Medical Tourists Visiting India” to identify various issues relating to Medical Tourism in India. The study identified improving patient safety, medication, infection prevention and control, quality performance, and improvement and the environment of care as the key drivers to promote the medical tourism in India.

Challenges faced by Medical Tourists, and Measures to solve these issues



- Racial discrimination, especially in case of tourists from Africa - Patients, especially from Africa are comfortable in a country where there is no racial discrimination as in some western countries.
- Waiting time – No or Little waiting time would mean patients can be fascinated for medical procedures where there is a hefty waiting time in home countries, like Canada, USA, UK, and Australia etc.
- Inadequate Lodging arrangements – The hospitals should try to organize affordable accommodation to the medical tourist and his attendant. For this, the hospitals can partner with other service providers and provide a seamless value to the customer.
- Substandard Food – Hospitals and healthcare providers should be sensitized to the appetite of the patient.
- Communication Problems – Availability of staff with fluency in English makes it comfortable for tourists from English speaking countries. However, to cater patients coming from Africa and Middle East, there is a requirement of training of linguists like specialists of Arabic.

- Availability of skillful, qualified, quick and responsive doctors as well as paramedical staff. It not only helps in creating a good image of the healthcare system, adding to brand equity of the system, but also adds to customers' perception of good quality care in the country.
- Accreditation by JCI – Hospitals with JCI accreditation can easily target US/ UK and other markets, but with majority of medical tourists coming for enhancements, dental care and IVF which did not fall under the purview of JCI accreditation. Another problem is that a few hospitals presents self as having acquired accreditation but in fact got only part accreditation for ambulatory care or just the laboratory.
- Visa related problems, like high cost for medical visa as compare to tourist visa, non availability of medical tourist visa, issues of corruption etc. In India, minimum two months cooling is necessary for re-entry on a medical visa, with a maximum of three entries in a year. It means that if a patient came for consultation, he has to wait for at least two months to come back to India. As a result, India may be losing its patients to its competitors. The healthcare department of the country should facilitate medical visa at a low cost, besides removing corruption in the visa department.

Conclusion

Medical tourism offers diverse opportunities for patients with increased choices and affordability of treatments. The countries are promoting its healthcare facilities as a medical tourism destination, as it is not only generating good revenue in foreign exchange, but also proving employment opportunities for local population. Also medical professional can develop a great degree of medical expertise with foreign patients. As long as differences in medical techniques and costs exist among countries, medical tourism should continue to develop. Nevertheless there are a number of issues that a country has to resolve to become an ideal healthcare tourism destination. The flight is taking off, whether you are on board or not.

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