

Medical Tourism: Emergence and Prospects

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Rise of Corporate Culture in Medical Care

Emergence of an affluent section that today seeks to emulate the consumerist aspirations of its counterparts in the global North.

emergence of a private sector that thrives by servicing a small percentage of the population that has the ability to “buy” medical care

**Changed the character of the medical care sector,
with the entry of the corporate sector.**

**Elasticity of demand for high priced medical
services is relatively low in developing countries.**

Medical Tourism as an Industry

Confluence of interest vis-à-vis medical care between globalisation and the corporate sector.

Former facilitates the flow of technology, finance capital and human mobility across national boundaries, while the latter utilises these to globalise medical care.

Medical tourism can be broadly defined as provision of ‘cost effective’ private medical care in collaboration with the tourism industry for patients needing surgical and other forms of specialized treatment.

Actively promoted by the Government’s official policy

India's National Health policy 2002, for example, says: "To capitalize on the comparative cost advantage enjoyed by domestic health facilities in the secondary and tertiary sector, the policy will encourage the supply of services to patients of foreign origin on payment. The rendering of such services on payment in foreign exchange will be treated as 'deemed exports' and will be made eligible for all fiscal incentives extended to export earnings".

In Malaysia, the Government set up the National Committee for the promotion of health tourism in 1998. The Director General of Culture, Arts and Tourism Ministry heads the Committee.

In the Philippines, under the Philippine Health Tourism Program (PHTP), the Department of Tourism and its partner agencies such as the Department of Health -- Philippine Institute of Traditional and Alternative Health Care (DoH-PITAHC) and the Department of Energy (DoE) are jointly offering cost-effective medical treatments combined with special itineraries that “showcase some of the best tourist attractions the country could offer to tourists”.

Governments are keen to promote the injection of private funds, and they see the area of Medical Tourism as one such avenue.

Tourism sector is seen as a major area for revenue generation.

Growth of the Medical Tourism Industry

The countries where medical tourism is being actively promoted include Greece, South Africa, Jordan, India, Malaysia, Philippines and Singapore.

According to a study by McKinsey and the Confederation of Indian Industry, medical tourism in India could become a \$1 billion business by 2012. The report predicts that: "*By 2012, if medical tourism were to reach 25 per cent of revenues of private up-market players, up to Rs. 10,000 crore will be added to the revenues of these players*".

Analysts say that as many as 150,000 medical tourists came to India last year.

The Bumrungrad Hospital in Bangkok, treated 300,000 foreign patients from 140 countries.

Significantly, the hospital management decided to diversify into medical tourism in 1997, when the economic crisis hit Asia.

In Malaysia too there has been an increase in the traffic through medical tourism, and the number of foreigners treated has increased from 33,000 (1993) to 70,000 (2000).

Promotion of Medical Tourism

The key “selling points” of the medical tourism industry are its “cost effectiveness” and its combination with the attractions of tourism.

The slogan, thus is, “First World treatment’ at Third World prices”..

The price advantage is however offset today for patients from the North by concerns regarding standards, insurance coverage and other infrastructure.

The packaging of medical tourism with the attractions of tourism and the “exotica of the orient” is clear.

Basic Philosophy of Health Care

It is divorced from the basic philosophy of health care that locates the treatment and alleviation of disease in a community setting.

It reinforces the medicalised view of health care and promotes the “magic bullet for every illness” concept. It thus detracts from the whole concept of primary health care.

It is a deepening of the whole notion of health care that is being pushed today which emphasises on technology and private enterprise.

It thus attracts only a small fraction that can pay for medical care and leaves out large sections that are denied medical care but cannot afford to pay.

It is estimated that there is a backlog of around 2,50,000 cases waiting for surgery and treatment in the National Health Services (NHS) in the UK. These cases are seen as a potential for medical tourism and is seen as a mutually beneficial process for both the NHS and the private hospitals in the less developed countries.

The undefunding of the NHS, for example, is not even an issue.

Future of Private and Public Health Services

It is a myth that the revenues earned by these corporates will be partly reverted to financing the public sector.

Increased demand on private hospitals due to medical tourism may result in their expansion.

Will try to woo doctors from the public sector – internal brain drain

There will be a greater push for encouraging private insurance tied to systems of accreditation of private hospitals.

Become an important argument for private hospitals demanding more subsidies from the state

Why should developing countries be subsidizing the health care of developed countries?