

Medical Tourism: Reverse Subsidy for the Elite

<https://www.journals.uchicago.edu/doi/pdfplus/10.1086/655910>

Amit Sengupta 2011

Peoples Health Movement, New Delhi

Abstract

The medical tourism sector in India has attracted global attention, given its phenomenal growth in the past decade. India is second only to Thailand in the number of medical tourists that it attracts every year. Estimates indicate that the medical tourism market in India could grow from \$310 million in 2005 to \$2 billion by 2012. These figures are significant when contrasted with India's overall health care expenditure—\$10 billion in the public sector and \$50 billion in the private sector. Factors that have contributed to this growth include the relative proficiency in English among health care providers and the cost effectiveness of medical procedures in India. Generally, most procedures in Indian hospitals cost a quarter (or less) of what they would cost in developed countries. The expansion of medical tourism has also been fueled by the growth of the private medical sector in India, a consequence of the neglect of public health by the government. India has one of the poorest records in the world regarding public financing and provisioning of health care. A growing driver of medical tourism is the attraction of facilities in India that offer access to assisted reproductive care technologies. Ironically, this is in sharp contrast with the acute neglect of the health care needs of Indian women. The Indian government is vigorously promoting medical tourism by providing tax concessions and by creating an environment enabling it to thrive. However, there is a distinct disjunction between the neglect of the health care needs of ordinary Indians and public policy that today subsidizes the health care of wealthy foreigners.