

Title

Indian Medical Tourism: Opportunities & Challenges

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Abstract:

Medical Tourism is the growing practice of travelling across international borders to obtain health care. It mixes leisure, fun and relaxation together with wellness and healthcare. Within Asia, India, Thailand and Singapore are the three countries that receive maximum medical tourists owing to low cost of treatment, quality healthcare infrastructure, and availability of highly skilled doctors. Medical Tourism in India has been growing at a faster pace & many private hospitals are doing their best to exploit this opportunity. This paper is an attempt to explore the opportunities for Medical Tourism in India & identify the challenges faced by patients & doctors.

Key Words: Medical Tourism, Quality Healthcare, Cost, Corporate Hospitals in India

Introduction:

Patients going to a different country for either urgent or elective medical procedures are fast becoming a worldwide, multibillion-dollar industry. Asia represents the most potential medical tourism market in the world. In 2007, the region generated revenues worth US\$ 3.4 Billion, accounting for nearly 12.7% of the global market.

Transparency Market Research report on Medical Tourism states that the global medical tourism market was valued at US\$10.5 billion in 2012, and is expected to reach US\$32.5 billion in 2019, growing at a CAGR of 17.9% from 2013 to 2019.

A recent study by PHD Chamber of Commerce & Industry (PHDCCI) on Medical and Wellness Tourism opportunities in India (2014) estimates that Indian medical tourism is expected to touch US\$ 6 billion (around Rs.36,000 crore) by 2018, with the number of people arriving in the country for medical treatment set to double over the next four years. Currently, the size of the medical tourism industry in India in value terms is estimated at a little over \$3 billion, with tourist arrivals estimated at 230,000.

Within Asia, India, Thailand and Singapore are the three countries that receive maximum medical tourists owing to low cost of treatment, quality healthcare infrastructure, and availability of highly-skilled doctors. "These three countries together accounted for about 60 per cent of the total Asian revenue in 2012," the report Medical Value Travel in India by KPMG and FICCI said.

The fact that the ageing population, particularly in the developed world, is increasing rapidly, putting an extra demand on an already overburdened health infrastructure, thus creating huge opportunities in the Asian medical tourism market. Many people from the developed world come to India for the rejuvenation promised by yoga and ayurvedic massage. There are also more

patients coming from poorer countries such as Bangladesh where treatment may not be available. India offers a nice blend of top-class medical expertise at attractive prices thus helping a growing number of Indian corporate hospitals lure foreign patients, including from developed nations such as the UK and the US. Other important parameter why India is seen as a potential destination for Medical tourism is no waiting period as compared to waiting time in countries like Canada, which has set waiting-time benchmarks, e. g. 26 weeks for a hip replacement and 16 weeks for cataract surgery, for non-urgent medical procedures.

India is considered to be providing first world medical treatment at third world prices. Comparing the Cost of following treatments between US and India:-

Procedure	USA	India
Consultation	Rs 5000	Rs 500
Bypass surgery	Rs 10 – 20 lacs	Rs 1 – 4 lacs
Cataract surgery	Rs 300,000	Rs 30,000
Knee replacement	Rs 10,00,000	Rs 100,000
Routine health checkup	NA	Rs 5500

Thus we can see that almost all treatments in India are at 1/10th of the cost as compared to developed countries like US.

Literature Review

Leigh Turner (2007) concludes that with globalization, increasing number of patients are leaving their home communities in search of orthopedic surgery, ophthalmologic care, dental surgery, cardiac surgery and other medical interventions. Reductions in health benefits offered by states and employers will likely increase the number of individuals looking for affordable medical care in a global market of privatized, commercial health care delivery.

Devon Herick (2007) notes that global competition in health care is allowing more patients from developed countries to travel for medical reasons to regions once characterized as “third world.” Many of these “medical tourists” are not wealthy, but are seeking high quality medical care at affordable prices.

Annette Arellano (2007) observes that trade in health care services therefore now includes countries promising “first-class services at third-world prices.”

Sandhya Anvekar (2012) concludes that in the international market scenario, India comparatively attracts lesser medical tourists than its counterparts like Thailand. Most of those arriving in India come from poor countries. Developed countries like the USA, Britain and Canada have costliest, overloaded health systems, producing long waiting lists that create high market potential for Indian service provider. Though India is well-qualified, certified and cheap in every aspect of health care, from new-drug discovery and testing to surgery, it is still not considered as a very attractive medical tourism destination.

Objectives of Research:

1. To understand the factors influencing the choice of India as a medical tourism destination
2. To understand the issues faced by patients with respect to medical tourism in India
3. To understand the perceptions of doctors on India as a medical tourism destination

Research Methodology:

1. Sampling Design

Random Sampling

2. City of Survey

Mumbai

3. Sample size

- a) Leading 10 Hospitals in Mumbai (Lilavati, Asian Heart, Fortis, Nanavati, Jaslok, Breach candy, Bombay hospital, Hiranandani, Kokilaben and Hinduja)
- b) 30 top class Doctors associated with these hospitals
- c) 60 Patients /expatriates undergoing/have undergone treatment under these Doctors.

Research Tool:

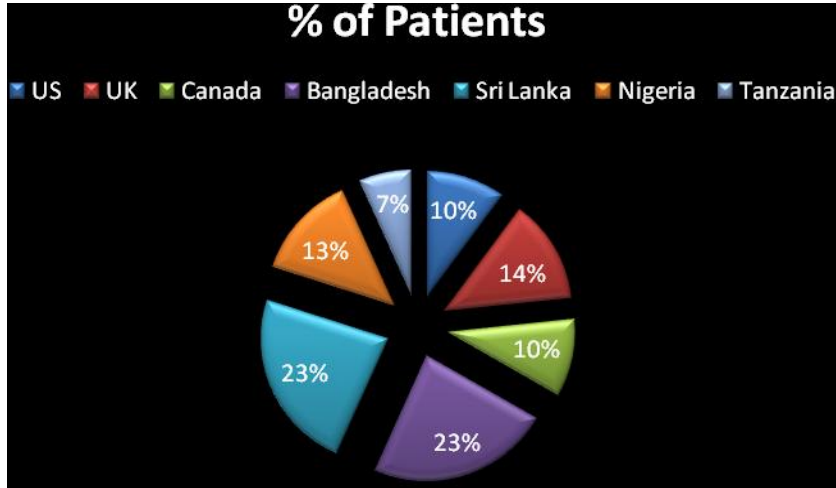
Questionnaire, Personal Interview, Secondary data

Analysis of data

Data collected was cleaned, transformed and then analyzed using SPSS software.

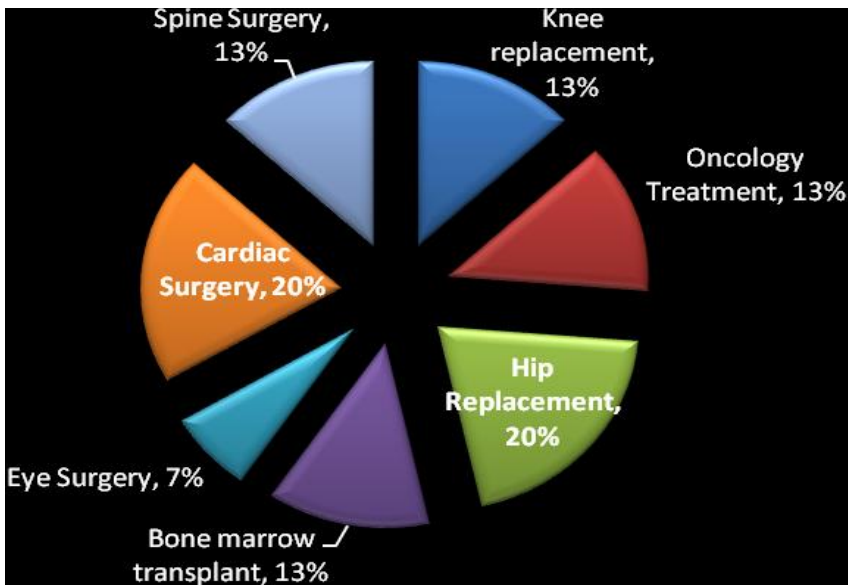
Findings and Conclusions:-

1. Country-wise break-up of patients



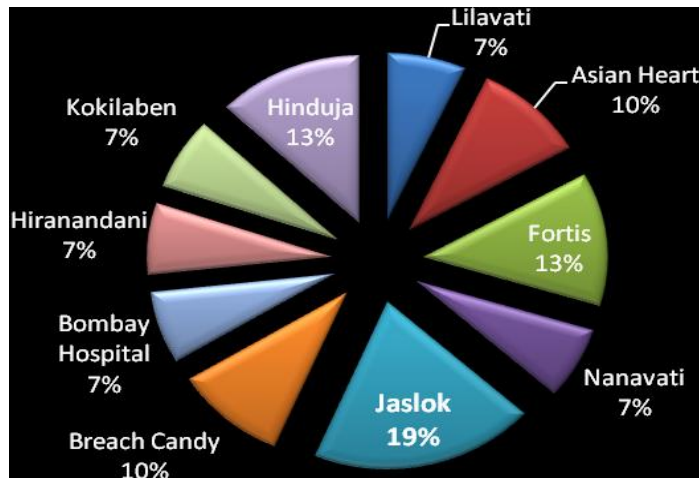
Study shows that maximum number of patients coming to India for medical treatment are from Bangladesh and Sri Lanka.

2. Treatments undergone by patients



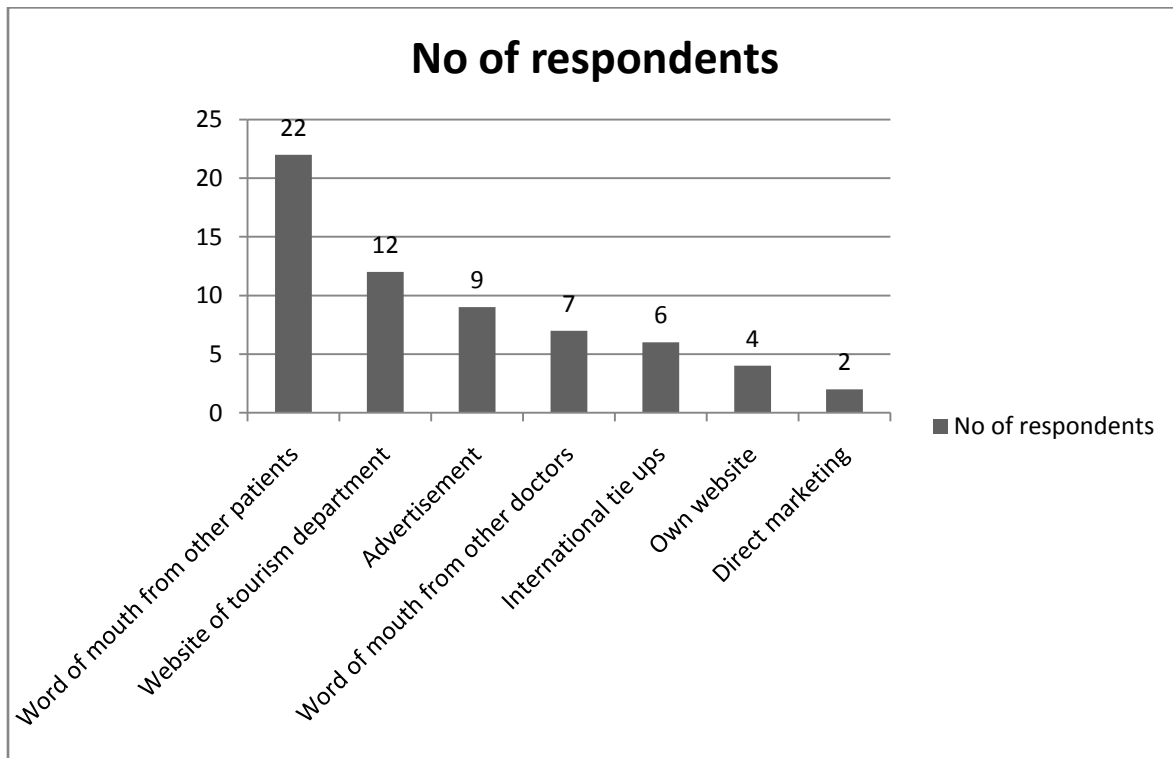
Hip Replacement and Cardiac Surgery are the commonly sought treatments in India .

3. Hospital-wise break-up of patients



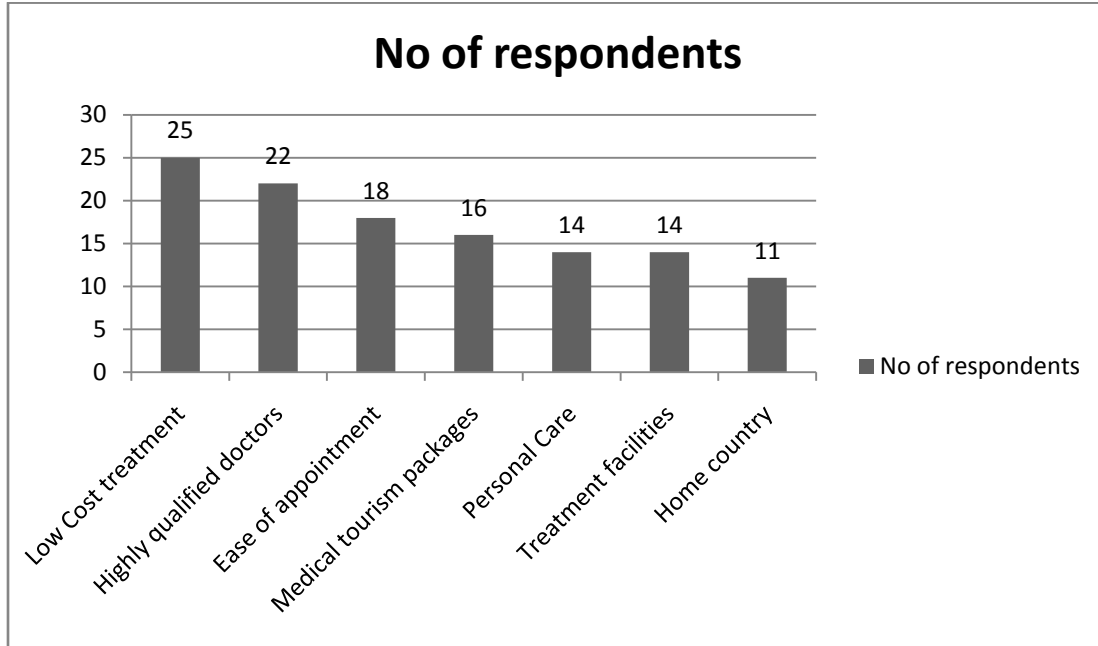
Majority of the survey patients were treated in Jaslok Hospital followed by Fortis Hospital.

4. Source of information about hospitals in case of international patients



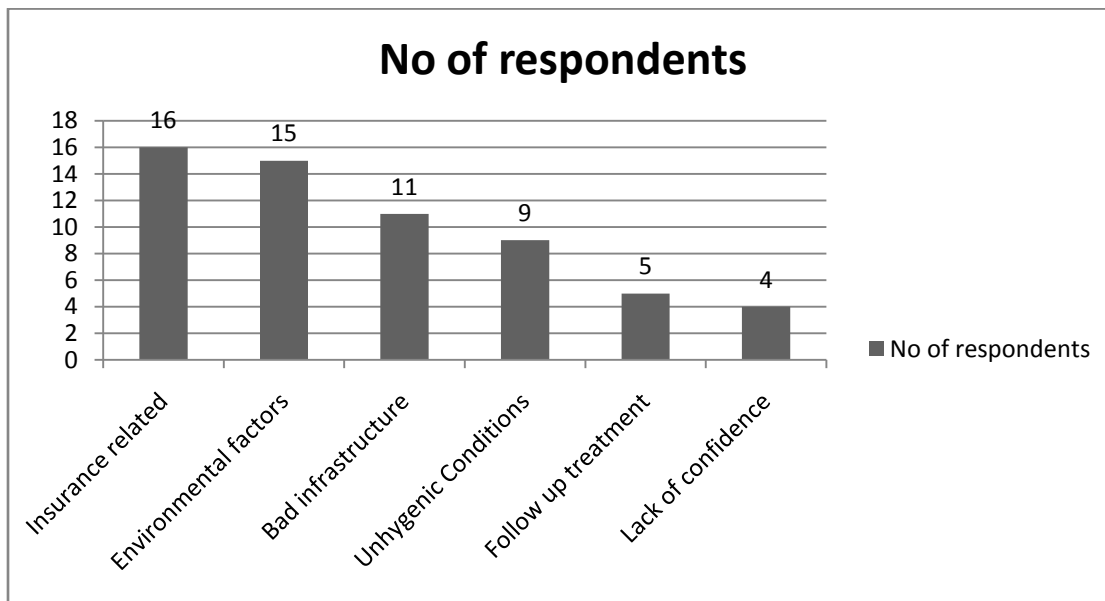
Word of mouth (from other patients) was the most important source of information for patients coming to India for medical treatment.

5. Reasons for international patients coming to India



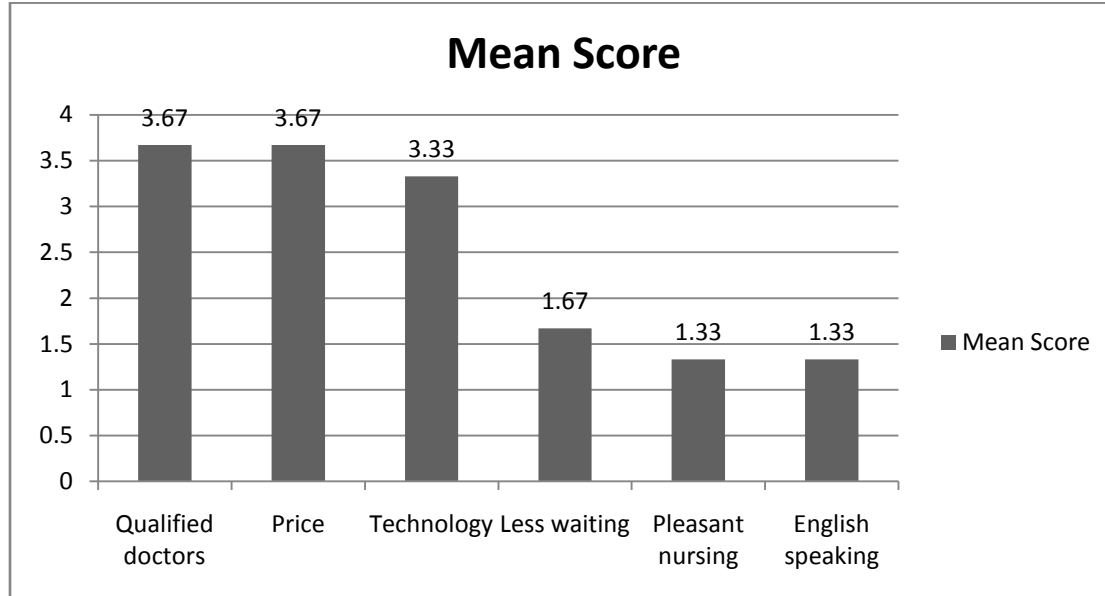
The most important reason why patients all over World prefer India is 'Low Cost of treatment' in India followed by the 'Highly Qualified Doctors'.

6. Issues faced by international patients



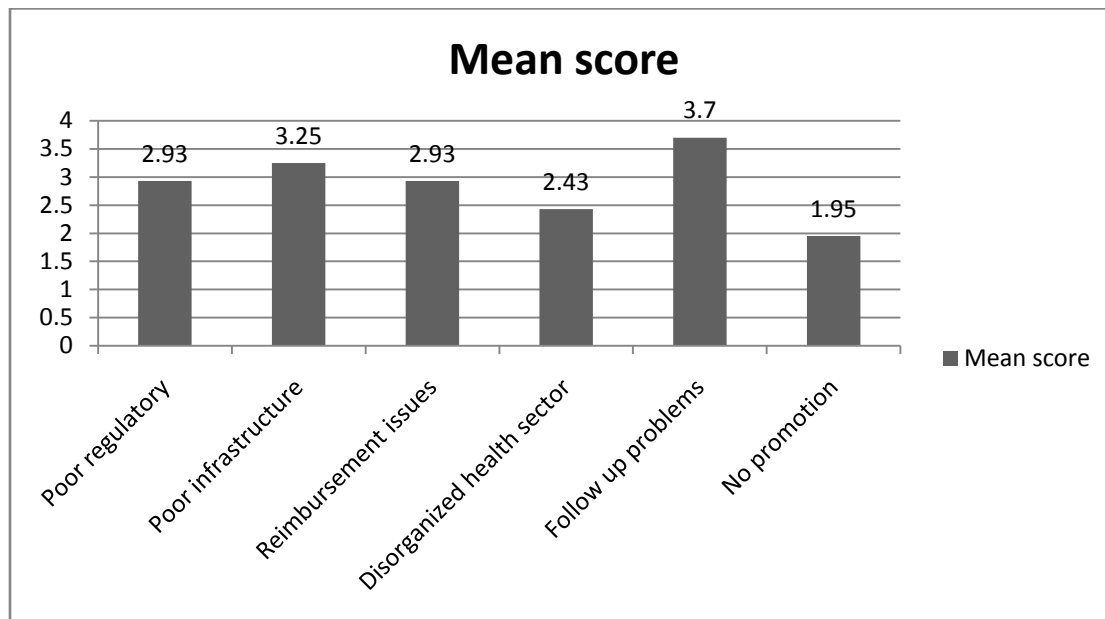
It was observed that 'Insurance related problems'(reimbursement) followed by 'environmental factors' like (Epidemic-H1N1,Terrorist attacks etc.) were the key issues.

7. Factors favourable to medical tourism in India according to doctors



'Qualified Doctors' and 'Low cost of treatment' are the most favourable factors for India as a Medical Tourism Destination.

8. Challenges for medical tourism in India according to doctors



Post treatment follow-up is a major problem according to Doctors, followed by the poor infrastructure and poor regulatory system in India.

Recommendations:-

1. In order to exploit the huge potential for Medical Tourism, Indian government should aggressively promote “India as a Medical Tourism Destination” emphasizing mainly on following factors:-
 - a. Low cost of treatment
 - b. Highly Qualified Doctors
 - c. Alternate system of Medicine (Ayurveda, Yoga etc)
2. Strong regulatory system should be set up so that if anything goes wrong recourse to local courts or medical boards is convenient.
3. It is important for hospitals to have International accreditation and requisite standardization systems in place, which would help them to attract international patients.
4. Indian Hospitals should tie up with more and more multinational insurance companies to minimize the insurance related problems like reimbursement.
5. Hospitals should provide the state of the art infrastructure equipped with latest technology. Besides this, government should take initiative in putting proper civic infrastructure in place like airports, good roads etc. & proper law and order.
6. Hospitals, tour operators and respective state governments should come together to effectively promote Medical Tourism.

Implications:

The results of this research study provides insights into the various challenges faced by the medical tourism in India, which once overcome will further help Hospitals to market medical tourism effectively.

Future Research:

As the study was limited to Mumbai city & suburbs only the sample size does not give a clear representation of the total universe. Thus in future a bigger sample size including other regions in India especially areas like Delhi, Chennai, Hyderabad etc. which are the hubs of Medical Tourism, should be taken into consideration.

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