

Health Tourism and Its Impact on Economy

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Abstract: *As medical treatment costs in the developed world are escalating to high levels, with the United States leading the way, more and more westerners are finding the prospect of international travel for medical care increasingly appealing. Developing countries like India, Thailand, and Philippines are attractive medical destinations. People combine medical treatments with inexpensive vacations. This trend is popularly known as medical tourism. Medical tourism is part of the tourism industry which definitely has a big impact on the Indian economy. Today, with the globalization of information and the empowerment of the consumer, medical tourism involves individuals acting as consumers making their own decisions regarding health needs, deciphering how they can best be treated, and then finding the most appropriate provider. Today, medical tourism is no longer about cheaper procedures and holiday trips, It is also about the quality of doctors and technology, and care models that many of these countries are pursuing that make this form of health tourism different. The study focuses at the emergence of health tourism and the challenges faced by health tourist in our country.*

Keywords: *Medical tourism, economy, globalization, developing countries, challenges*
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I. Introduction

Medical tourism (also called medical travel, health tourism or global healthcare) is a term initially coined by travel agencies and the mass media to describe the rapidly-growing practice of travelling across international borders to obtain health care. It also refers pejoratively to the practice of healthcare providers travelling internationally to deliver healthcare. Over 50 countries have identified medical tourism as a national industry. However, accreditation and other measures of quality vary widely across the globe, and there are risks and ethical issues that make this method of accessing medical care controversial. Also, some destinations may become hazardous or even dangerous for medical tourists to contemplate. Medical tourism has become a multi-billion dollar industry. According to McKinsey and Company, medical tourism was a \$60 billion market in 2006 and it has been predicted that it could be a \$120 billion industry after seven to eight years (Hansen, 2008). Despite its recent popularity, medical tourism is thousands of years old (Hancock, 2006). Goodrich (1994) points out that different form of medical tourism have existed for centuries. Written records of Greeks traveling to Tell Brak, Syria, for eye treatment date back 5000 years (Gahlinger, 2008).

During ancient times, people from afar frequented mineral springs due to their purported healing nature. People traveled for healing from ailments such as skin conditions, arthritis, and muscular injuries. People in ancient times have always gone to rivers such as the Nile, Ganges, Yangtze, and Jordan to be cleansed physically and spiritually (Goodrich, 1994). A study by ASSOCHAM projected that the number of medical tourists in India would rise to 3, 20,000 by 2015. Recently, patients from countries like Afghanistan have started to travel to India for treatment in large numbers and this is expected to grow even further. The Indian healthcare industry is estimated to double in value to \$6billion by 2018. Medical tourism today is much more diversified, both technologically and geographically. Medical tourists travel to distant locations around the globe for treatment. Over 50 countries have identified medical tourism as a national industry. In past decades, affluent people from developing countries came to developed areas such as the U.S. and European countries for medical treatment. Most of these patients came to the West to attain highly advanced medical treatments that were not available in their home countries. However, a reversal is taking place. People from developed countries are traveling to developing countries such as India, South Africa, and Thailand to receive medical treatment. Although many of these patients are traveling to receive highly advanced medical procedures, a significant amount of them are also pursuing more less advanced and holistic types of treatments. According to Johnston et al. (2010), most of the hospitals that promote medical tourism are within lower and middle income countries (LMICs), “where favorable exchange rates have given them a competitive advantage in attracting price-conscious international patients.”

Objective:-

- To study the various challenges faced by the medical tourist
- To study the Economic support of health tourism industries
- To study the availability of opportunities to the medical tourist

II. Methodology

The study is descriptive in nature. The information for the study has been collected from the different sources such as; published books, news papers, journals, unpublished thesis, projects, web site etc.

Reason for attracting medical tourist to India

Support of government and infrastructure facilities - Though India is a developing country but in the field of health tourism it is considered as a developed country in the world map. Government as well as other private sectors is adopting various ethical methods related to the health care to attract the health tourist. The government of India is taking steps to address infrastructure issues that hinder the country's growth in medical tourism. Visiting from one country to another country requires stamping of visa and it is a long process. To attract medical tourist the government of India has removed visa restrictions for them. To accelerate medical value travels and give a huge boost to medical tourism in India the Hon'ble Prime Minister India announced at the SAARC summit (November 2014) that medical visas will be granted immediately for the patients and attendants, from SAARC countries, who visit India for their medical treatment.

No language barrier - Language plays an important role to attract tourists. Even though India has many different languages, English is widely spoken. All hospitals have excellent English speaking staff or communication is very easy. The Hospital Industries are also arranging translator for better communication purpose.

Personal touch - Recently, hospitals began to administer personalized medical tour packages for tourists at highly affordable prices. The tour packages for tourists are available at highly affordable prices. The tour planner offers services like fixing appointments with concerned specialists at a world renowned hospital, making arrangements for escorting, transportation and accommodation as per the requirement of the patient, helping to obtain medical visa and preparing other documents as required by health centers and even making arrangements for sightseeing, and shopping if required by the patient or family members.

Foreign investment - Silicon Valley based fund sequoia capital is investing rupees 100 core in Chennai based Curatio healthcare. As of date, sequoia has made across verticals such as diagnostic services, healthcare, patient services, pharmaceuticals and product development services. Vasan healthcare, cloud nine, celon labs, glocal and GVK biosciences are some of the healthcare ventures that sequoia has invested in. Deal making in the Indian healthcare sector, pegged at \$80 billion, is gaining momentum given the country's health care market size.

Quality and range of services - The most popular treatments sought in India by medical tourists are alternative medicine, bone-marrow transplant, cardiac bypass, eye surgery and hip replacement. India is known in particular for heart surgery, hip resurfacing and other areas of advanced medicine. Lower treatment costs are accompanied by competitive healthcare standards. There are 21 joint commissions international (JCI) accredited hospitals in India and growing. For a patient traveling to India, it is important to find the optimal doctor-hospital combination. After the patient has been treated, the patient has the option of either recuperating in the hospital or at a paid accommodation nearby. Many hospitals also give the option of continuing the treatment through telemedicine

Alternative therapy - There is a growing interest in other types of health services like alternative medicine, holistic and wellness programs other than western treatment and procedures. Alternative medicine such as Ayurveda, acupuncture and homeopathy are gaining popularity among medical tourists.

The price advantage - The cost treatment in India is considered to be the lowest in Asia, even lesser than Thailand, Indonesia, Singapore and Hong Kong, without compromising on quality. Most estimates claim that treatment costs in India start at around a tenth of the price of comparable treatment in America or Britain.

Table : 1 Less expenditure

Procedure name	USA price (in usd)*	Thailand price (in usd)*	Singapore price (in usd)*	India price (in usd)*
Angiography	15000	4100	3600	500
Angioplasty	44300	15300	13500	5000
BMT	207000	65000	58500	37000
Gastric by pass	30000	16200	14500	6900
Heart by pass	94300	36400	33000	8000
Heart valve	123000	15500	13500	9700
Hip replacement	31500	18900	16700	8000
Kidney transplant	115000	35300	32000	17000
Knee replacement	30400	13800	12200	8000
Liver transplant	275600	75000	67500	43000
Pacemaker	68500	15500	14000	6200

Source: - surgery assistance India 2013

Corporate health care and specialization services

There are so many corporate health care centres operating in all over the country with specific specialized treatment and extending services comparatively with less cost. Some of these are Apollo operating its branches in Ahmedabad, Bangalore, Chennai, Delhi, Hyderabad, Bhubaneswar and Kolkata and it is famous for heart care and cancer. Forties is famous for its excellent surgery options for medical travelers seeking orthopedic procedures including hip resurfacing and replacement. Shroff eye hospital:- Bandra and Mumbai is distinction in eye care since 1919 and delivering high quality with affordable health care to patients in India and abroad. Vijaya group of hospitals - Vijaya medical and educational trust consisting of Vijaya hospital, Vijaya health center, Vijaya institute of trauma and orthopedics and Vijaya heart foundation. Apart from highly specialized Vijay offers seamless patient services such as:

- Second medical opinion service
- Airport pick up and drop service
- Accommodation
- Multi- cuisine/ food arrangements
- Tour arrangements

Special attributes

The following attributes are also responsible to attract the medical tourist to India

- High cost of healthcare in industrialized nations
- Ease and affordability of international travel
- Improving technology, availability of latest medical techniques.
- Standards of care, compliance on international quality standards
- Foreigners are less likely to face language barrier in India.

Table : 2 Status of health tourist in 10 states of India (2013-14)

Name of the Sstates	Tourist(in lakhs)	Percentage of health tourist
Maharashtra	5.1	28.5
Tamil Nadu	2.8	15.7
Delhi	1.9	10.6
Uttar Pradesh	1.7	9.4
Rajasthan	1.3	7.2
West Bengal	1.2	6.7
Kerala	0.7	3.7
Bihar	0.6	3.6
Himachal Pradesh	0.5	2.5
Goa	0.4	2.5
Total: top 10 states	16.1	90.3
Others	1.7	9.7
Total	17.9	100.0

*Source: Madras school of Economics

Economic support from Medical tourism

Medical tourism is a growing sector in India. India's medical tourism sector is expected to experience an annual growth rate of 30%, making it a \$2 billion industry by 2015. Indian Medical Tourism to touch Rs 9,500 Crore by 2015,¹

¹ Hamid, Zubeda (20 August 2012). "The medical capital's place in history". *The Hindu* (Chennai: The Hindu). Retrieved 15 Sep 2012.)

The medical tourism industry in India has a potential to contribute around 25 per cent to the country's gross domestic product over the next five years if fully-tapped,² The following table exhibits the foreign exchange earnings from the foreign tourist during the period from 2000-2013.

Table : 3 Foreign Tourist and economic support

Year	Foreign tourist arrival in nos.	Foreign exchange earning Rs.in Cr.
2000	2649378	15626
2001	2537282	15083
2002	2384364	15064
2003	2726214	20729
2004	3457477	27944
2005	3918610	33123
2006	4447167	39025
2007	5081504	44360
2008	5282603	51294
2009	5167699	53700
2010	5775692	64889
2011	6309222	77591
2012	6577745	94487
2013	6967601	107671
Total	63282558	6605869

Source: Annual Report 2013-14 Ministry of Tourism

III. Conclusion

Positioning tourism as a major engine of economic growth and harnessing its direct and multiplies effects on employment and poverty eradication in a sustainable manner. It is one of the largest employment generators in the country and it plays a very significant role in poverty reduction. To attract more and more medical tourist from different countries the centre as well as the state government should take appropriate steps to improve all types of infrastructure facilities such as access roads, electricity, water supply, sewerage and telecommunications together with airlines, surface transport, safety, security, and accommodation. Apart from the above the government should also undertake capacity building programs to train paramedical and non-medical staff of the service providers for cross-cultural sensitivities. The government should take steps in the role of a regulator and also as a facilitator of private investment in health care sector. Innovative ideas like offering a total package which includes medical services plus tourism packages are the key areas for success. In today's competitive world, it is very essential to promote India as an attractive destination for health tourism. To make the health tourist centres of India more acceptable adequate financial support and initiative by central as well as state governments is very much needed. For sustainable development of the industry, all round support from government side is very essential.

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