

Challenges and Opportunities of Medical Tourism in India



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Abstract

Medical tourism is the fastest growing industries in the world, combining healthcare and tourism. Medical tourism is not a new concept as this practice of traveling for seeking the best healthcare was present in ancient times also. The only difference is that earlier the wealthy patients from less developed countries used to travel to developed countries in order to avail the technologically most advanced medical facilities. Over the time the scenario has changed and now the wealthy persons from developed nations is increasingly seeking expert healthcare services at most affordable rates and quick response in the developing countries. India is considered to be one of the best destinations for medical tourism due to the availability of specialized team of doctors and world-class medical treatments along with world famous exotic tourist attractions. People from other countries are choosing India as their medical treatment destination because it has a highly skilled medical fraternity; low treatment costs, cutting edge technological advancements & rich cultural heritage have made India the hub of Medical Tourism. Medical tourism is perceived as one of the fastest growing segments in marketing.

Keywords: Medical Treatments, Healthcare, Segment of Tourism.

Introduction

Medical tourism is the travel of people to another country for the purpose of obtaining medical treatment in that country. Traditionally, people would travel from less developed countries to major medical centers in highly developed countries for medical treatment that was unavailable in their own communities. The recent trend is for people to travel from developed countries to third world countries for medical treatments because of cost consideration. Services typically sought by travelers include elective procedures as well as complex surgeries, etc.

Medical tourism in India has emerged as the fastest mounting segment of tourism industry in spite of the global economic recession. Elevated cost of treatments in the developed countries, particularly the USA and UK, has been forcing patients from such regions to look for alternative and cost-effective destinations to get their treatments complete. The Indian medical tourism industry is currently at a budding stage, but has a massive potential for future development and progress. Government support, low cost, improved healthcare infrastructure, and its rich cultural heritage, have taken the Indian medical tourism to the new heights. Overall, its emergence as one of the world's most cost-efficient medical tourism destination has helped India to attain a position among the global leaders.

Medical tourism is perceived as one of the fastest growing segments in marketing 'Destination India' today. India has really become a global leader in medical tourism and is one of the world's least expensive choices among medical tourism destinations. 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. As the Indian healthcare delivery system strives to match international standards the Indian healthcare industry will be able to tap into a substantial portion of the medical tourism market. Already 17 Indian hospitals have been accredited by the Joint Commission International (JCI). Accreditation and compliance with quality expectations are important since they provide tourists with confidence that the services are meeting international standards. India provides international quality of medical care at the lowest rates, in comparison with any other part of Asia.

Discussions

Medical tourism is a growing sector where two important service

industries are joining to attract people who seek healthcare services located beyond the geographical territory of their country. It provides state of the art private medical care in collaboration with tourism industry to patients from other countries. Price offered is highly competitive when compared to those prevalent in the western countries.

Nowadays, a lot of factors draw people towards tourism. The important motivators for travel and tourism may be cultural, social, interpersonal, physical, religious, and now the healthcare. Tourism has much scope for development and it can develop certain localities, states and even countries. A planned and integrated development of tourism can act as a catalyst of the economic development of any country, more so, the developing country, like India.

Health and medical tourism is perceived as one of the fastest growing segments in marketing 'Destination India' today. While this area has so far been relatively unexplored, we now find that not only the Ministry of Tourism, Government of India, but also the various state tourism boards and even the private sector consisting of travel agents, tour operators, hotel companies and other accommodation providers are all eyeing health and medical tourism as a segment with tremendous potential for future growth. The service sector is playing an ever increasing role in the global economy. One of the most significant contributors to this growth has been tourism. It is linked with a host of ancillary services such as, travel and hospitality, good infrastructure in areas like, telecom, financial services, and entertainment. A host of organizations are involved in promoting tourism today.

Major Hospitals

All medical investigations are conducted on the latest, technologically advanced diagnostic equipment. Stringent quality assurance exercises ensure reliable and high quality test results the chief cities attracting foreign patients to India are Mumbai, Bangalore, Hyderabad, Kolkata and Chennai. Similarly, the speciality hospitals excelling in the medical tourism industry in the country are:

1. Escorts Heart Institute and Research Centre Limited, New Delhi
2. All India Institute of Medical Sciences, Delhi
3. Manipal Heart Foundation, Bangalore
4. B. M. Birla Heart Research Centre, Kolkata
5. Breach Candy Hospital, Mumbai
6. Wockhardt Hospitals
7. Christian Medical College, Vellore
8. Asian Heart Institute, Mumbai
9. PD Hinduja National Hospital and Medical Research Centre, Mumbai
10. Jaslok Hospital, Mumbai
11. Apollo Hospital, Delhi
12. Apollo Cancer Hospital, Chennai

The health services in India have the additional advantage of providing a good mix of allopathic and alternative systems of medicine. For instance, while New Delhi has emerged as a prime destination for cardiac care; Chennai has established a niche for quality eye care; Kerala and Karnataka have emerged as hubs for state-of-the-art ayurvedic healing. The scope for profit in this sector has encouraged several

large corporations, such as pharmaceuticals and industrial companies, and several non-resident Indians (NRIs) to invest money in setting up super-specialty hospitals such as Apollo, Medinova, CDR, Medicity in Hyderabad; Hindujas and Wockhardt in Mumbai; Max, Escorts, Apollo in Delhi etc. These facilities now dominate the upper end of the private sector and cater predominantly to medical tourists and affluent sections of the society. These establishments have created a niche job market for health professionals predominantly trained in public sector institutes.

Even the Government of India has responded promptly to tap the potential of this sector. In its effort to capitalize on this opportunity the Government has undertaken measures to promote India as a "global health destination". The National Health Policy 2002 strongly encourages medical facilities to provide services to users from overseas. It states that "providers of such services to patients from overseas will be encouraged by extending to their foreign exchange, all fiscal incentives, including the status of "deemed exports", which are available to other exporters of goods and services". The Indian Ministry of Tourism has started a new category of visas for the medical tourists. These visas called the "M" or medical-visas are valid for one year but can be extended up to three years and are issued for a patient along with a companion. Efforts have also been undertaken to improve the airport infrastructure to ensure smooth arrival and departure of the health tourists. A brochure of the ministry predicts a "phenomenal expansion" of the Indian health-care industry in the coming years.

These factors have favored the recent spurt of growth of medical tourism in India. Official figures indicate that medical tourists from 55 different countries come to India for treatment. While most of these patients are from developed countries, India is also seeing a surge of patients from countries in Africa and South and West Asia that lack adequate healthcare infrastructure. Among others, foreign health travelers to India comprise of a large number of non-resident Indians (NRIs). If the present trend continues trade in health and health-services will become one of the biggest sectors in India. However, there are several challenges that could impede the growth of medical tourism in India, more importantly the growth of this sector poses a threat to the already crippled public health system in India.

Opportunities

India has many advantages. The first and the foremost is cost advantage. Then, it has many hospitals equipped with international standards. Most of Indian doctors and other medical staff have world class exposure and are fluent in English which is connecting language globally. India also has a whole lot of natural solutions to health like Ayurveda, and Sidha. It has many exotic tourist spots. Many medical tourists have already chosen India as their destination for treatments. They to some extent help the country to promote itself as a business and tourism destination. India should use these opportunities and make more efforts to advertise these advantages and attract more medical tourists.

India is one of the fast growing nations in the world. Perceived as a service hub across the globe, India has attracted a large number of global companies to set up their base in India. This has already resulted in increased flow of business travel. The medical tourism industry should take this opportunity to attract medical tourists and popularize wellness system in the country.

The main opportunity presented by medical tourism is its contribution to the growth of health economies. It is a major source for foreign exchange and stimulates economic growth in other sectors including tourism, transport, pharmaceuticals, hotels, food suppliers to hospitals and restaurants. The labor intensive nature of the tourism industry makes it an excellent generator of employment. Medical tourism and the competition on the global health market promote technological advances and improved medical infrastructure.

1. India is one of the fast growing nations in the world. Perceived as a service hub across the globe, India has attracted a large number of global companies to set up their base in India. This has already resulted in increased flow of business travel. The medical tourism industry should take this opportunity to attract medical tourists and popularize wellness system in the country such that more and more FTAs could use them.
2. Doctors in western part of the world are increasingly prescribing Indian system of natural healing and medicine to their patients. India not only offers the medical treatment but also other rejuvenative services such as yoga, meditation, herbal therapies and other skin treatments which could uplift the mood and enhance health of medical tourists. As a result India is receiving a huge number of international tourist who are coming to gain the rejuvenative benefits
3. IT boom and cheaper flights make people to choose alternate health destinations for treatment.
4. Health insurance in country like USA covers only critical care and not cosmetic care and beauty treatments. For those who seek cosmetic/beauty treatments choose low cost destinations like India.
5. Soaring medical costs, high insurance premiums, long waiting lists, large number of uninsured/under insured and insured in many advance nations force people in those nations to be medical tourists. Large Indian community living abroad also makes use of significant part of medical tourism in India.
6. In Japan, USA, UK and many other European nations, the proportion of elder people has increased rapidly. At the same time, life expectancy has also increased steadily. The combined result is: significant demand for natural healthcare system. Demand from countries with underdeveloped healthcare capacities also increases.
7. Most of Indian doctors and other medical staff have world class exposure and are fluent in English which is connecting language globally.

Challenges

The medical tourism sector has lot of potential to grow but is also confronted with many challenges that need to be tackled. The major challenges in the field of medical tourism that countries face across the globe are as follows:

1. Normally, the majority of medical tourists come from the industrialized countries of the world especially Europe, the UK, Middle East, Japan, U.S. and Canada where the cost of medical treatment is very expensive and there are often long waiting times for treatments. On the flip side medical tourism boom is happening not only in India but in other countries like Malaysia, Singapore and Thailand, South Korea, Brazil, Belgium, Cuba, Costa Rica, Hungary, and Jordan is also promoting medical tourism whereas India is likely to lose out foreign patients.
2. Lack of coordination among various players in the industry-airline operators, hotels and hospitals.
3. The negative perceptions about India with regard to public sanitation/ hygiene standards or prevalence of contagious diseases.
4. No proper accreditation and regulation system for hospitals.
5. Complex visa procedures
6. No strong Government support/initiative to promote medical tourism.
7. Lack of uniform pricing policy across hospitals.
8. Strong competitions from many other players.
9. Lack of insurance policies for this sector.
10. Low investments in health infrastructure.
11. Growth generates healthcare challenges in booming India. The country graduates 27,000 doctors each year but most want to work in cities. But millions must walk miles to see a physician.
12. Inequalities in healthcare access between private and public systems may increase
13. This may induce domestic brain drain from public to private sector.
14. Indian Government's campaign to make India a primary medical tourism destination may divert attention from primary healthcare and other sectors.
15. Availability of hotel rooms in India is considered to be more difficult as compared to other countries. In addition, the cost of accommodation is another hindrance to middle-level international travelers visiting India.
16. Public-Private Partnership is required to provide quality services to attract potential healthcare seekers from various countries.
17. Poor visitor experience, particularly, due to inadequate infrastructural facilities, poor hygienic conditions and incidents of touting and harassment of tourists in some places
18. Lack of capital, Lack of Community participation and awareness, Lack of involvement from rural sector, Lack of concern for sustainability.
19. Other major constraint in the development of medical tourism in India is the partial attitude of the government towards corporate and public hospitals. Government cannot neglect the role of corporate hospitals as a source of foreign

exchange earner, a provider of high class medical facilities and technology, a medium of fulfilling the demands of foreign patients

20. Shortage of skilled professionals.
21. Another reason is high service tax. A tourist has to spend a lot of money on availing the tourism related services because a sales tax levied on these services is twice time higher than any other developed country.
22. Poor coordination between the various players in the industry- hospitals, air line operators, and hotels is also challenging before medical tourism in India.

Many factors which makes India a destination for visitors, seeking health care services. It include well trained medical practioners, well number of English speaking medical staff, a well mix of allopathic and alternative system of medicine, the availability of specialty centers, technically advanced and diagnostic equipment and availability of services at comparatively less cost. India is turning out estimated 20,000 – 30,000 highly skilled doctors and medical consultants every year. High reputation and goodwill for Indian doctors exists in the world. Medical assistance providers and agents also play a significant role. A number of hospitals which is fast emerging have hired language translators to make patients more comfortable while at the same time helping in the facilitation of their treatment. Many doctors and Nurses are fluent in English. Language is not a barrier in India as a large section of people can understand and speak international languages particularly the English. Good medical facilities and talented and experienced pool of professionals in the medical field, the high rate of investment in medical research in India and its history of subsidized medical tourism have created some of the most efficient medical professionals in the world. Many of such talented medical professionals have years of experience in treating patients in the western countries. Hence, they are well acquainted with the medical problems of people there; they use their experience and expertise sitting in India to treat international patients. Best private hospitals are situated in India with the latest technology. Some have affiliation with John Hopkins and Harvard School. Hence, they have the set up to take care of international patients who are conscious about quality treatment. The most popular treatment sought in India by medical tourist is alternative medicine, bone-marrow transplant, cardiac bypass, eye surgery and hip replacement. India is known for in particular for heart surgery, hip replacement, surfacing and other areas of advanced medicine. Kerala for Ayurvedic treatment, Chennai for Eye treatment, Delhi, Mumbai and Bangalore for heart, cosmetic, Dental and Neuro surgery etc. are specialise treatment centre. The biggest benefit of medical tourism in India is the cost. Medical treatment in India is offered at a lower cost in the world. Their air ticket expenses and accommodation expenditure, even if they are put up in luxury hotel will not be more than their expenses in USA or UK. Patients will be able to save at least 50% of their cost if they choose India over other developed countries. An estimated 1, 50,000 of those travel to

India for lower priced healthcare procedure every year.

Conclusion

The medical tourism is an outsourcing medical services primarily expensive surgery to low cost countries. It offers financial value for growing burden of the costs in matured markets. It also provides an alternative for millions of uninsured people to receive affordable and accessible medical services from developing countries.

India is an important player in this industry as it has many advantages. Its cost is the lowest in the world. It has many internationally accredited hospitals. Most of its doctors and medical staff have world class exposure and fluency in English. In addition, it is rich in cultural heritage and has innumerable tourist attractions. It also offers a wide variety of alternative medicines. This sector is expected to grow exponentially due to external as well as internal factors. The external forces are: soaring medical costs, high insurance premiums, long waiting lists, large number of uninsured/under insured and insured in many advance nations. The internal factors are: availability of high quality medical professionals and medical staff, large number of world class hospitals and infrastructure, government promotion, tax concession etc. Estimates indicate that the number of medical tourists in India will increase to 2.8 million and the exchange earnings will rise to US \$ 3964 million in 2015. Lack of regulation in the healthcare system, lack of coordination among various players in the industry (airline operators, hotels and hospitals), unethical profession behavior, competitions from many other players, low investments in health infrastructure, increasing inequalities in healthcare access between private and public systems, and domestic brain drain from public to private sector are the major challenges facing this sector.

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