Trends

Medical Tourism – Health Care in the Global Economy

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Although physician executives are certainly aware that some patients bypass their hospital, clinic or ambulatory surgery center on the way to the airport to have care in other cities, they may be somewhat surprised to learn that an increasing number of patients are traveling to a wide variety of destinations around the world for medical, surgical and dental care.

Driven by a number of forces outside typical medical referral systems, these “medical tourists” seek modern health care at affordable prices in countries at variable levels of development. Medical tourism is different from the traditional form of international medical care where patients typically journey from less developed nations to major medical centers in highly developed countries for advanced medical treatment.

Popularity growing

There is no definitive information about how many patients receive health care in the medical tourism model. A major difficulty in determining the magnitude of medical tourism is the fact that the reported numbers may include expatriates from other nations, business travelers and tourists who require medical care while they are in these destinations for other purposes.

Also, ayurveda and wellness services such as yoga and massage at medi-spa resorts may be included in the tally of foreigners receiving health care. Finally, the accuracy of reported information cannot be validated. Despite these limitations, it is clear that a substantial number of patients participate in medical tourism.

In 2003, approximately 350,000 patients from industrialized nations traveled to a variety of less developed countries for health care.1 It is projected that 750,000 Americans will go offshore for medical care in 2007, with this number increasing to six million in 2010.2

In 2004, 1.18 million patients from all over the world traveled to India for health care, and Thailand cared for approximately 1.1 million medical tourists from a large number of countries in Asia, Europe and North America.3,4

The Confederation of Indian Industry, in consultation with McKinsey and Company, reports that medical tourism in India produces annual revenue of $300 million, with projected growth to $2 billion by 2012.5 Articles and broadcasts on medical tourism are appearing in the press and on the airways with increasing frequency, and several guide books have been recently published. A Google Internet search on May 6, 2007 using the term “medical tourism” returned 777,000 results (Table 1).

Medical tourism is different

Medical tourism is market driven—it is shaped by the complex interactions of myriad medical, economic, social and political forces. The reasons medical tourists embark on worldwide journeys for health care are shown in Table 2. Low cost is the primary reason that patients from industrialized nations seek medical care in less developed countries.

Patients in the medical tourism model would likely prefer to have major surgery in their hometown hospital or local referral center. However, these patients feel pressed to balance their health needs against other considerations; they are willing to accept uncertainties about quality in order to obtain care at prices they can more comfortably afford.

Patients from the United States typically fit one of two profiles:

1. Working class adults who require elective surgery but have no health insurance or inadequate insurance benefits
2. Patients who desire procedures not covered by insurance such as cosmetic surgery, dental reconstruction, gender reassignment operations, or fertility treatment deeply believe that it is unreasonable to choose a provider for potentially risky medical therapy based on anything other than medical considerations. Finally, physicians in highly litigious nations may be particularly reluctant to endorse offshore treatment because of concern about vicarious liability.

In 2003, approximately 350,000 patients from industrialized nations traveled to a variety of less developed countries for health care.¹ It is projected that 750,000 Americans will go offshore for medical care in 2007, with this number increasing to six million in 2010.²

The key point is that resources are insufficient for them to comfortably purchase care in their local market, but adequate for them to buy care in low-cost foreign facilities.

For patients from Britain, Canada and other countries where a governmental health care system regulates access to health care, the reason to leave the local market is the desire to have timely treatment, circumventing delays associated with long waiting lists.

Because national health programs do not fund cosmetic surgery and similar type services, patients seeking these services are driven to pursue medical tourism by the same economic forces as those from the United States.

Patients also travel to medical tourism destinations for procedures that are not available in their own countries. For example, stem cell therapy for heart failure, unobtainable by many patients in industrialized countries, is available in the medical tourism marketplace.⁵

A faraway country provides privacy and confidentiality for patients undergoing plastic surgery, sex change procedures and drug rehabilitation. Furthermore, their medical records cannot be viewed by the myriad parties who can access these documents in the United States.

There is currently virtual absence of involvement of referring physicians in medical tourism. Doctors in industrialized nations, unfamiliar with the practitioners and practices in less developed countries, are reluctant to encourage their patients to pursue care by unknown providers in distant lands.

Further, the physician may deeply believe that it is unreasonable to choose a provider for potentially risky medical therapy based on anything other than medical considerations. Finally, physicians in highly litigious nations may be particularly reluctant to endorse offshore treatment because of concern about vicarious liability.

However, there are many agencies that provide services to patients who want offshore medical and surgical care. These agencies help patients select a country, facility and provider. They determine prices and collect payment, assemble and transmit medical records, and arrange travel and accommodations. Additionally, they may arrange for postoperative follow-up in the patient’s own community after they return.

Although some travel professionals promote the “tourism” aspect of offshore care, as the seriousness of the medical situation increases, the recreational aspects of travel have diminishing importance. Medical tourism agencies can be easily found on the Internet or in any medical tourism guide.

The availability of resources is the issue that most differentiates the traditional international medical patient from the patient in the medical tourism model. In the medical tourism model, the absence of some resource influences or drives the decision about travel for medical services, whereas the traditional
Medical tourism destinations

Many countries are working to successfully compete in the medical tourism marketplace by offering a wide variety of medical, surgical and dental services in comfortable modern facilities (Table 3).

Medical tourists travel to the four corners of the world for executive health evaluations, ophthalmologic care, cosmetic dentistry and surgery, bariatric procedures, joint resurfacing or replacement, cardiac surgery, organ and stem cell transplantation, gender reassignment surgery and in-vitro fertilization. Several countries in Central and South America have developed strong reputations for cosmetic and plastic surgery, bariatric procedures, and dental care.

Destinations in Asia are particularly popular for orthopedics and cardiac surgery. India, Singapore and Thailand are well-established medical tourism destinations, attracting large numbers of foreign patients and generating substantial revenue from the services provided. These countries have large, modern medical facilities that are staffed by well-trained physicians who perform complex procedures such as minimally invasive/off-pump heart surgery, correction of congenital cardiac abnormalities in children, thoracic organ transplantation, and implantation of mechanical cardiac assist devices.

An article in the Washington Post reports on a cardiac hospital in India that has outstanding outcomes with coronary artery bypass surgery.6 Thailand’s international hospitals have a reputation for having modern high-tech equipment, excellent quality medical care and superior hospitality services.

India has the important advan-

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Table 1. Results of Internet Search for Terms Related to Medical Tourism.

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<thead>
<tr>
<th>Search term</th>
<th>Number of Internet sites identified</th>
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<tbody>
<tr>
<td>“medical tourism”</td>
<td>777,000</td>
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<tr>
<td>“medical tourism” + surgery</td>
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<td>“medical tourism” + obesity</td>
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<tr>
<td>“medical tourism” + bariatric</td>
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<td>62,400</td>
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<td>136,000</td>
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<tr>
<td>“medical tourism” + dentistry</td>
<td>189,000</td>
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<tr>
<td>“medical tourism” + surgery + sex</td>
<td>51,300</td>
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<tr>
<td>“medical tourism” + savings</td>
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high-quality care in a number of medical tourism destinations.

However, patients considering offshore medical care face a daunting task in differentiating the desirable offshore destinations from those with inadequate practitioners working in unsafe facilities. Some medical tourism agents with backgrounds in health care, and a particular focus on quality and outcomes, may be a helpful resource for patients.

Accreditation by Joint Commission International and/or the International Organization of Standardization (ISO) may provide a useful and reassuring benchmark for patients in selecting offshore medical facilities. The Joint Commission began evaluating foreign hospitals in 1999 and has accredited more than 120 hospitals in 23 countries.

There are particular concerns about the possible adverse consequences of vacation activities and travel in the postoperative period, as well as uncertainties about follow-up care. The responsibility for management and costs of complications occurring after a patient is home is an important issue that remains unresolved.

Finally, if a patient wanted to initiate litigation for an adverse outcome, the claim would have to be adjudicated in a foreign court.

**Response to medical tourism**

The American Society of Plastic Surgeons, the first medical organization to address medical tourism, posted a briefing paper on its Web site in 2005 providing information to patients considering cosmetic surgery in foreign countries.

In 2006, other medical organi-
that provide such services. This may be particularly problematic for smaller programs and for those with a preexisting unfavorable case mix.

In an article in the New England Journal of Medicine, Millstein and Smith point out that the flight of American patients to foreign destinations for lifesaving operations is symbolically important and must be addressed by physician leaders. These authors argue that Americans going to foreign destinations for surgical care is a symptom of, and not a solution to, an affordability problem.

Their analysis suggests that offshore surgery could decrease total U.S. household spending for health care by only 1 percent to 2 percent. Mattoo (a World Bank economist) and Rathindran report that a number of health care services are readily tradable and that potential gains from trade could benefit all parties, with US health care savings of $1.4 billion to $2 billion.1

Medical institutions in less developed countries benefit by

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<th>Asia</th>
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<td>United States b</td>
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Table 3. Medical tourism destinations.

a Most frequently identified countries in literature and Internet search.

tions began to pay attention to medical tourism, responding with notices on their Web sites and presentations at meetings to provide information and opinions to the public and to their membership.

In June 2006, The United States Senate Special Committee on Aging held hearings on the issue of medical tourism subsequent to which the Chairman, Senator Gordon Smith, called for a task force of experts to explore the impact and safety of lower cost health care abroad.

American manufacturers and insurance companies are studying and pursuing offshore health care options in an effort to reduce health care costs. Mercer Health & Benefits, a prominent employee benefits consulting firm, has been retained by three Fortune 500 corporations to determine the feasibility of directing elective major surgery to foreign medical destinations.

Currently, Blue Shield of California and Health Net sell discounted health insurance policies that encourage patients to get most of their care in Mexico, and United Group Programs, a third-party administrator, is promoting elective surgical care in Thailand.

In West Virginia, legislation was introduced that would provide financial rebates to state employees who seek health care at medical tourism destinations. Although the original bill did not make it out of committee in 2006, the issue has been reintroduced in the 2007 legislative session (HB 2841).

**Challenges and opportunities**

It is inevitable that an increasing number of health insurance plans will extend their provider networks to include selected health care institutions around the world and will provide incentives to encourage beneficiaries to use offshore facilities for expensive elective surgical procedures.

The loss of even a small number of profitable insured surgical patients could endanger the viability of some programs and institutions that provide such services. This may be particularly problematic for smaller programs and for those with a preexisting unfavorable case mix.

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Medical institutions in less developed countries benefit by
serving foreign patients. The skills and financial resources derived by providing health care in the global marketplace allow these facilities to better care for the local residents who otherwise would have limited access to modern medical facilities and services.¹

Medical tourism enables countries that have long waiting lists for certain procedures to clear their backlog by sending patients to foreign countries for expedient care, at low cost, without expanding local capacity.⁶

Finally, there are opportunities for innovative physician executives and other health care leaders to explore ways to better fund the care of poor patients by directing certain services to lower cost hospitals in foreign destinations.

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Figure 1

Source: International Monetary Fund, World Economic Outlook Database, September 2006

References
On a global scale, healthcare tourism is higher than oil and gold industry. If you have plans to enter the medical tourism industry, this blog is for you. We hope that this blog will guide and help you make an informed decision. What Is Medical Tourism? Today, people from developed countries travel to developing countries to get health care services. This shift is driven by low-cost treatments offered by developing countries, inexpensive flights and the easy availability of online information about medical services. The word "tourism" is included in this because in most cases people stay in a foreign country to get medical assistance. So, travelers can take advantage of this situation to get to know the country in that short time.

1 Medical Insights International, USA. Michael_Horowitz@bus.emory.edu. PMID: 18092615. No abstract available. MeSH terms. Delivery of Health Care / trends*. Economic Competition*. Humans. International Cooperation*. Travel*. United States. Medical Tourism - When people travel from one place to another place, across the international border, to receive some form of medical treatment is called medical tourism. Millions of people travel abroad for medical treatment - from dental work to major heart surgery. Somebody who crosses borders to obtain health care in an environment outside their own is called a medical tourist. Well, since the mid 20th century, health care costs have exploded in many developed countries, especially the United States. Medical tourism helps in the development of economy and living standards of the human civilization. Importance and benefits of medical tourism are following as: Hugely beneficial for economic development. 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. 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. Publication Analysis. Top Keywords. global economy. 4. care global. 4. tourism--health care. 4. medical tourism--health. 4. economy. 1. care. 1. global. 1. medical. 1. Member Articles. Quantification of tumor burden in multiple myeloma by atlas-based semi-automatic segmentation of WB-DWI.