

# Medical Tourism in India

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## Abstract

Medical tourism, combining the needs of pleasant travel and probably stressful health care services, is a blossoming and flourishing business worldwide. Medical tourism in India has emerged as the quickest growing section of tourism trade. India ranks second in the field of medical tourism in the world. India has become a popular destination for individuals from everywhere around the globe for medical aid and for numerous treatments. For almost all kinds of treatments, India is providing the service at an effective price which is comparatively lowest among other nations of the world. The study deals with importance of medical tourism in current scenario, history, factors influencing medical tourism, promotion of medical tourism by private hospitals and the various initiatives taken by Indian government to promote medical tourism. It also highlights medical tourism practices followed in India, the patient's experience, and motivational forces for the consumers, popular destinations and suggestions for future scope of medical tourism. Medical tourism is popularly depicted as an economic issue, both at the system and individual levels.

## 1. Introduction

Medical Tourism is the concept of travelling to a particular destination to avail the opportunity of the world-class healthcare services offered by the best experienced healthcare professionals at the technologically most advanced medical facilities in complete privacy and for affordable costs. The healthcare procedure is usually combined with a family vacation (Swain&Sahu, 2008). Treatments include cosmetic and dental surgery, cardio, orthopedic and bariatric surgery, IVF treatment, and organ and tissue transplantation. Medical tourism is a fast growing industry promoted by government,

tourism and medical industries. Medical tourism is shaped by the complex collaborations of numerous components such as medical, political, economic and social cogency (Horowitz, Rosensweig & Jones, 2007). The recently growing medical tourism industry is acknowledged as a potential sector for economic divergence by many countries (Ganguli&Ebrahim, 2017). Medical tourism patients are willing to travel abroad to hunt higher quality, lower cost, domestically unavailable, no wait-time destinations for non- emergency treatment. In destination countries a rise in medical commercial enterprise sector raises the wages in this sector, thereby holding trained medical staffs that may otherwise leave the country. However, the enlargement of this sector contracts the domestic tending services sectors, inflicting lower labor productivity within the economy. This enterprise will increase domestic welfare if the advantages from migration retention and commercial enterprise exports outweigh the losses in revenue and productivity declines.

In the current scenario, tourism trade is gaining monumental economic advantages. Tourism industry is not solely confined to hotels, restaurants and viewing historical sight scenes but have recently included health sector as well. The globalization of the health care sector and therefore the large demand for low cost-high quality treatment for health in recent times has caught the eye of the many developing countries which has adequate resources and potential to fulfill these demands (Mochi, Shetty &Vahoniya,2013). The developing conception of Medical tourism in Asian countries has gained tremendous quality and is attracting individuals from around the globe for their medical and relaxation desires. Mostly people prefer Asian countries for their medical treatment like cosmetic surgery, knee transplant, plastic surgery, hip replacement and

dentistry (Mochi, Shetty & Vahoniya, 2013). The objective of the study is to explore the factors influencing medical tourism; patient's motivational forces and experience; and promotion of medical tourism by private hospitals and government.

## 2. Overview of Medical Tourism

### 2.1 Evolution of Medical Tourism

Aristocratic members of Sumerian, Greek and earlier civilizations travelled elsewhere for the purpose of health, and medicinal betterments and to experience mineral water bath, warm spring, and for general relaxation and recreation. Modern enlightened humans travel to experience warm springs and spas, from those ancient times thus the concept of medical tourism has been evolved. Medical tourism commenced when people started to travel long distances to overseas countries to obtain medical, dental and surgical care while concurrently spending the holidays in the destination, in a more traditional way (Connell, 2006). The individuals from less developed countries usually visit developed countries like North America and United Kingdom to utilize the subsidized and forefront medical facilities and highly proficient physicians, but this orientation began to overturn within 90's and therefore the term medical commercial enterprise refer to individuals motion to rising economies with the intention to combine health care and holidaying. The senescent population in developed countries increases the demand of trained doctors resulting in increase in health care prices resulting in unsuccessful demand for medical services in these countries (Sataline & Wang, 2010). Accordingly, in line with world health organization (WHO) in 2000, United States spent 13.2 % of the value on its health care by 2007. This went up to 15.7 % (WHO, 2016) and it is forecasted to be 19.3% by 2019.

### 2.2 Factors of Medical Tourism

The key marketing points of the Indian medical businesses are the mix of prime quality facilities, competent services, English-speaking medical professionals and cost effectiveness. The price differential is huge. For Open-heart surgery, the price charged is up to \$70,000 in Britain and \$150,000 in the US; in India's best hospitals the price range is \$3,000 to \$10,000. Knee surgery charges are Rs. 3.5lakhs (\$7,700) in India whereas in Britain it costs \$16,950. Dental, eye and cosmetic surgeries in western countries prices 3 to 4 times the maximum amount as in an Asian nation. Medical tourists sometimes get a package deal which includes features such as flights, hotels, treatment and, often, a post-operative vacation. The two major factors which contribute for the sustainable growth of the

industry are the effectiveness of hospital chains across various Asian countries and the government patronage and promotion of medical business as a part of public policy. Factors tributary to the expansion of this trade associated with the health-care provision problems of the origin countries are chiefly high prices of care, health care users with low financial gain, health care excluded by insurance, long waiting times and low-quality health care (Connell, 2006; Gan & Frederick, 2011; Runnels & Turner, 2011). The affordability of air travel to overseas destinations and favorable exchange rates are also contributing to the group action of medical business enterprise (Connell, 2006). Researchers are trying to perceive the demand factors of international patients and to provide characteristics of destination countries in the face of the event of the medical business enterprise market (Connell, 2006; Gan & Frederick, 2011; Heung, Kucukusta & Song, 2010; Smith, Alvarez & Chanda, 2011; Turner, 2007). The most frequently mentioned demand factors are comparatively high price of treatment within the origin country and also the quality of treatment (Glinos, Baeten, Helble & Maarse, 2010). In spite of the various factors involved, hospital empowerment (Smith & Forgione, 2007), geographical distance (Adams & Wright, 1991) and cultural familiarity (Glinos et al., 2010) emerge as vital determinants of destination country selection by patients. Geographically and culturally related problems are usually analyzed in conjunction with alternative factors that affect international medical business enterprise. Medical business enterprise conjointly attracts international patients, largely from culturally and geographically shut countries like Taiwan, Hong Kong and Macau (Esiyok, Çakar & Kurtuluşoğlu, 2017). Likewise, India receives patients from near countries like Bangladesh, Mauritius, Nepal and Sri Lanka, which share similar customs to those of India (Gupta, Goldar & Mitra, 1998).

### 2.3 Promotion of Medical Tourism by Private Hospitals

The online websites of privatized hospitals endorsing medical tourism were examined as an important commercializing channels for showcasing and stimulating destination's medical facilities and their array of staff expertise, services, treatments and instrumentation to national and distant patient-consumers alike (Moghavvemi, Ormond, Musa, Isa, Thirumoorthi, Mustapha & Chandy, 2017). The websites of non-public hospitals promoting medical tourism describes how these hospitals project them on-line in order to attract the perceived desires of prospective medical tourists. The content and format of hospital websites are evaluated across 5

dimensions: hospital data and facilities, admission and medical services, interactive on-line services, external activities, and technical things. The management of hospitals should take necessary actions to enhance their hospital's on-line presence and interactivity.

## 2.4 Destinations

In the parts of Africa and the Middle East –Jordan, Israel, Iran, South Africa and United Arab Emirates are popular destinations for medical tourism. In the parts of America – Brazil, Costa Rica, Cayman Islands, Cuba, United States are being the locations for medical tourism. In the parts of Asia and the Pacific Islands- China, Hong Kong, India, Malaysia, New Zealand, Pakistan, Singapore, and Thailand promotes medical tourism. In the parts of Europe – Finland, France, Serbia, Turkey and United Kingdom are the destinations. Globally the five countries which initiated medical tourism are Burundi, Myanmar, Pakistan, Sudan, and India. Later India became one among the top twenty countries to provide medical tourism which contributed around 4.5 - 5 % of India's GDP. In the present scenario, India, Thailand, Singapore and Hong Kong are popular destinations for the medical travelers. (Varghese, 2013).

## 3. Medical Tourism in India

### 3.1 Initiatives by Indian Government

While the medical tourism sector has perpetually been outstanding as a supply of treatment, since 1991, neoliberal government policies supporting the sector have created conditions for its rapid growth. The government policy supports medical tourism to maximize the comparative price advantage enjoyed by domestic health facilities among the secondary and tertiary sector, the policy also encourages the provision of services to patients of foreign origin on payment. The rendering of such services on payment in foreign exchange are treated as deemed exports and can be created eligible for all monetary incentives extended to export earnings (Gupta, 2008). Apparently, this formulation attracts the Policy framework for reforms in health care, drafted by the Prime Minister's informality Council on Trade and business headed by Mukesh Ambani and Kumaramangalam Birla (National Health Policy, 2002). The Indian Government, eager to expand its economy, has begun to aggressively appeal to foreign patients through business campaigns that sell a singular mixture of latest technology along with ancient medical traditions within the variety of Ayurveda and yoga. The Indian government has conjointly created a special medical visa that lasts up to 1 year to create it easier for patients to enter the

country. The results of this government cooperation have been associated with nursing extraordinary growth of corporate owned hospitals across the country (Shetty, 2010).

### 3.2 Trends in Medical Tourism

India's efforts to promote medical tourism took off in late 2002, when the Confederation of Indian Industry (CII) produced a study on the country's medical tourism sector, in alliance with international management consultants, which outlined immense potential for the sector (Chinai & Goswami, 2007). Indian hospitals have conjointly realized the potential of this vocational market and have begun to customize their services for foreign guests. Visitors, especially from the West and also the Middle-East, notice Indian hospitals as an inexpensive and a viable choice instead of grappling with insurance and national medical systems in their native lands. It's been calculated that 150,000 people travel to India for inexpensive health care procedures annually (Sharma, Sharma, Padroo, 2016). There are several features that make India an appealing location for visitors seeking health services. These include its well-trained health practitioners, a large populace of good English-speaking medical staff, and a good mix of allopathic and alternative systems of medicine, the availability of super specialty centers, use of technologically advanced diagnostic equipment, and finally and more importantly, the availability of these premium services at competitive cost (Hazarika, 2009).

### 4. Motivational Forces for the Consumers

**4.1 Cost:** The customers from developed markets, notably from United States with discretionary medical needs look for lower price (Ehrbeck, Guevara, & Mango, 2008). The worth distinction for various medical procedures and also the desire to acquire price assistance is that the primary motivation for medical tourism (Marlowe & Sullivan, 2007). The destination which provides the least cost treatments will be the most attractive destinations for medical tourism.

**4.2 Waiting Lists and Availability:** Patients seeking various health treatments might have to be compelled to travel overseas as their home countries might not have the technology, instrumentation and facilities. Even though some countries may have the facilities but they are yet to get the approval of federal agency. For e.g. if FDA approval isn't forthcoming, patients may favor to travel rather than looking ahead to FDA's drawn-out approval method. Society and regulatory agencies might impose restrictions on bound treatments like somatic cell

medical care, surrogate pregnancies, organ transplants, sex determination of unhatched kid etc., resulting in the requirement for visit request for such treatments(Horowitz & Rosensweig, 2007).

**4.3 Privacy and Confidentiality:** The privacy issues of the patient belonging to one particular country is maintained by the laws that safeguard the privacy of medical records below HIPAA, insurance corporations, courts etc. The host country will have access to these records (Vitalis & Milton, 2009). Procedures undertaken in different countries that haven't any reportage necessities will ensure privacy and confidentiality of services like drug rehabilitation, cosmetic/plastic surgery, sex change etc.

**4.4 Lower Travel Prices, and also the Lure of a Vacation:** The benefit and affordability of the international travel has enhanced in recent years with discount packages out there through third party vendors like on-line travel agents. Moreover, the thought of mixing healing and exotic vacation plans together with a procedure appears appealing to several individuals. Similarly with the increasing demographic diversity and globalization of the men in developed nations combining a visit home with medical treatment augments demand for medical commercial enterprise (Connell, 2006).

**4.5 Easy Access to Data** via the net to hospital sites, travel agents specializing in transcription medical tours, blogs of past patients, reduces the data spatial property usually associated with seeking treatment in thus far unknown places. Furthermore many host countries and airlines provide incentives for travel like fast visa process, discounted airfares and free further baggage allowances.

**4.6 Travel Intermediaries:** A normal search on Google for medical commercial enterprise generated over 10 million hits, many of that relate to third party intermediaries World Health Organization set up and execute the entire itinerary (from choosing the hospital for the procedure, the destination for vacation in additions to creating arrangements for post-procedure care upon returning to the home country). These tour operators act as brokers between the customers and suppliers of medical commercial enterprise and so reduce transaction prices and unwanted travel.

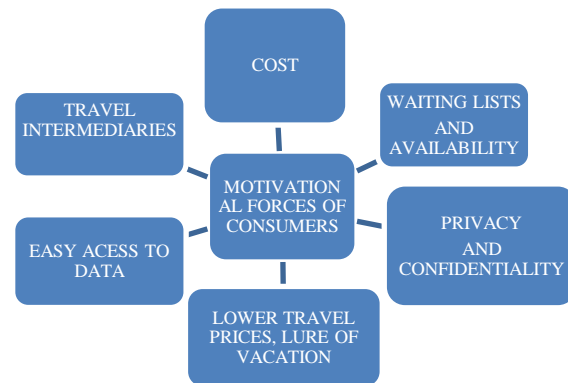


Fig.1 Motivational forces of consumers

## 5. Suggestions for Future Scope of Medical Tourism

Stakeholders and different intermediaries will wonder the subsequent suggestions for building skilled ability and higher healthcare management. A replacement standard within the healthcare segment offers a broader house for state to play the role of assistant with effective trade policies to confirm a continuous valuable chain. In India the policymakers need to take initiatives to attract the medical tourists from various developing countries whose focus is to receive practiced procedures at reduced price along with the medical expertise's surgical ability. The medical practitioners need to be given appropriate training to cope up with cross cultural patients, to address their needs and grievances. Especially in south India, healthcare segments can concentrate in specializing different treatments like siddha, ayurveda and unani to attract the tourists globally thereby, making a distinct segment for itself. Uniformity in medical aspirants and diversity in medical service demands would be difficult for South India from the health care supplier's viewpoint. The private hospital chains need to develop cordial relationship with the international embassies to utilize the government funded medical tourists by globalizing the level of services provided. The other ways to boost up the medical tourism business are by conducting Exhibitions, trade fairs and associations with international bodies. It is the responsibility of the hospital managers to promote their services globally and to eradicate the ambiguity of medical aspirants while choosing their destinations (Varghese, 2013).

## 6. Conclusion

Medical Tourism in India is one of the finest options obtainable to people across the globe. A great mass of people come every year to get treated and then enjoy their soothing holidays across India. People from totally different background travel across the complete span of the world and come back to India to own their treatments through with peace of mind.

Asian country provides world category medical facilities with hospitals and specialized multi specialty health centers providing their experience within the areas of plastic surgery, aid, Heart Surgeries, CABG (Coronary artery bypass surgery), Heart Check up, Valve replacements, Knee Replacements, Eye surgeries. Indian ancient treatments like Ayurvedic Therapies and drugs combining fashionable treatments with ancient expertise have been popularized. India is one of the most publicized medical tourism destinations in the world. Medical business enterprise is probably going to extend even quicker within the future as medical aid continues to be progressively privatized, and price differentials exists. As the demand for plastic surgery (including dentistry) continues to expand the demand for overseas services, and laser treatments are replacing surgical process which attracts more patients. Prices for treatment are lower in foreign hospitals for variety of reasons like Labor prices, less (or no) Third- Party Payment, price Transparency and Package rating, Few Cross-Subsidies, restricted Malpractice Liability and Fewer Regulation. The number of states searching to flourish in medical tourism rises up drastically over the period of time.

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