
Medical Tourism In India: Issues And Opportunities

Abstract

Medical tourism is becoming a popular option for tourists across the globe. It encompasses biomedical procedures, combined with travel and tourism. The term medical tourism has been coined by travel agencies and the mass media to describe the rapidly growing practice of travelling across international borders to obtain hi-tech medical care. Various countries like Thailand, Malaysia, India, etc. are promoting medical tourism aggressively. The key competitive advantages of India in medical tourism stem from the following: low cost advantage, strong reputation in the advanced healthcare segment (cardiovascular surgery, organ transplants, eye surgery etc.) and the diversity of tourist destinations available in the country.

Introduction

Medical tourism has grown exponentially in the recent years as a form of niche tourism. It attracts tourists from across the globe to other countries to obtain medical, dental and surgical care comparatively cheaper than their home country. The host country in addition to promoting regular tourist attractions promotes its health care services and facilities.

Laws (1996) has defined medical tourism as a travel from home to other destination to improve one's health condition as one type of leisure. This includes getting indigenous and alternative medical services, and any other form of tourism undertaken with the purpose of addressing a health concern.

India in the recent years has emerged as an attractive medical tourist destination. The main reasons for the growing popularity in medical tourism in India are: (a) the long waiting period in the developed countries, (b) the low cost of medical treatments in comparison to the other developed countries. In India, complicated surgical procedures are being done at one-tenth of the cost as compared to the procedures in the developed countries, (c) the affordable international air fares and favorable exchange rates, (d) the Internet; with the development of communications, new companies have emerged who acts as middlemen between international patients and hospital networks, giving patients easy access to information, prices and option, (e) the state-of-art technology, specialist doctors, nurses and para- medical staffs that has been adopted by the big hospitals and diagnostics centers in India.

Objectives of the study

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This research work explores opportunities, discusses its key challenges and designing the suitable strategies for developing medical tourism in India. It is based on a review of the literature, including published research, web sites, newspapers, and the travel and tourism magazines that carry medical tourism related information. This helps to design the strategies being used for promoting medical tourism in India. This research work also strives to understand why some developing countries like India are more successful in promoting medical tourism than others.

Medical tourism in India – the current scenario and its different modes

Medical Tourism is poised to be the next Indian success story after Information Technology. According to a McKinsey-CII study the industry's earning potential estimated at Rs.5000-10000 Crores by 2012. Medical tourism can contribute Rs 5,000-10,000 crore additional revenue for up-market tertiary hospitals by 2012 and will account for 3-5% of the total healthcare delivery market, says the Confederation of Indian Industry (CII)-McKinsey study on healthcare (2002). Horowitz and Rosenweig (2007) have identified the following countries as being medical tourism destination: China, India, Israel, Singapore, Malaysia, Philippines, United Arab Emirates, Argentina, Bolivia, Brazil, Colombia, Costa Rica, Cuba, Jamaica, Mexico, United States, Belgium, Germany, Hungary, South Africa and Australia.

The major service providers in Indian medical tourism are: the Apollo Hospitals, Escorts Hospital, Fortis Hospitals, Breach Candy, Hinduja, Mumbai's Asian Heart Institute, Arvind Eye Hospitals, Manipal Hospitals, Mallya Hospital, Shankara Nethralaya etc. AIIMs, a public -sector hospital is also in the fray. In terms of locations – Delhi, Chennai, Bangalore and Mumbai cater to the maximum number of health tourists and are fast emerging as medical tourism hubs.

Growth and opportunities

The commitment to provide comprehensive healthcare to all citizens, irrespective of their paying capacity, was given up by the Indian government after 30 years of Indian independence. After the globalization and liberalization of Indian economy on 1991, the government of India has opened up medical service to the voluntary and private sectors for foreign tourists and other citizens who can pay to get the high-tech medical services. The rapid growth of the private sector over the 1980s and the emergence of a corporate health sector in the 1990s was a part of the comprehensive policy that chooses to promote these segments. This was done through shifting subsidies in terms of cheap land, concessions from equipment and drug import, placing these institutions on government panels and making them a part of government insurance schemes in addition to providing trained personnel and expert physicians through state – supported medical education.

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Key issues to the medical tourism industry in India

As various countries are at loggerheads to get a greater share in the medical tourism industry, India needs to carve out a distant niche for itself, by leveraging its existing strengths and thereby offering a unique value proposition. Generally, there are three types of medical tourists.

Foreigners coming for medical treatment Foreigners seeking treatment and leisure Expatriates

The country like India is facing the following issues/challenges to become a tourist destination with competent medical tourism industry. They are:

1. Lack of infrastructural facilities like lack of connectivity, lack of coordinating system, poor power supply and poor water supply.
2. Most Indian hospitals are also facing the lack of trust from the foreign patients. The hospitals have observed poor hygiene awareness in medical attendants, unhygienic food handling, and lack of proper hospitality services, heterogeneous pricing of services and no industry standards.
3. The government can play a vital part to upgrade the medical tourism sector. But the industry is facing the following problems which are caused by the governments. They are: (a) no regulations, (b) taxation anomalies, (c) bureaucratic roadblocks, (d) no works on land reforms, (e) lack of long-term investor friendly policies and (f) instability with respect to terrorism and communal tensions.
4. On the part of insurance and allied services, the medical tourism industry in India is also facing some key bottlenecks. They are: (a) inadequate insurance cover, (b) underdeveloped insurance market in India, (c) insurance frauds and (d) overseas companies refusing reimbursement.
5. The following challenges, due to the infrastructural parts in medical tourism sector in India, are: (a) poor accessibility, (b) lack of capital, (c) lack of Community participation and awareness, (d) lack of involvement from rural sector, (e) lack of concern for sustainability, (f) complex visa procedures, (g) lack of good language translators, and (h) poor airport facilities.
6. Apart from these, there are some specific issues to promote medical tourism in India. They are: (a) quality accreditations to the Indian hospitals and service providers, (b) training and Development to the Doctors, Nurses and Para medical staffs, (c) lack of customer oriented approach

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Suggestions for developing Indian medical tourism

The following suggestions lay down the future path for India to achieve leadership position in medical tourism. These suggestions largely draw from the discussions with various stakeholders as well as observing the other countries' medical tourism conditions.

(1) **Medical Visas:** A simplified systems of getting medical visas should be developed in order to make travel across borders smoother. Visas can be extended depending on the condition of the patients. The procedures for obtaining medical visa, the subsequent registration and visa extension procedures are complicated and time consuming. There is a need to simplify and speed up these procedures to make India a more attractive medical tourism destination.

(2) **Holistic medical and diagnostic centers within the corporate hospitals:** Most of the big tertiary hospitals are opening up holistic centers within the premises, with yoga and meditation programs long with naturopathy, herbal medicine, acupuncture and homeopathy departments. The claim is that these enhance treatment. However, these services are charged for and add to additional revenues. The hospitals have small spaces for the relatives to pray in, thereby wedding science with religion and traditional with modern medical practices.

(3) **Joint Ventures / Alliances:** To counter increasing competition in medical tourism sector, Indian hospitals should tie-up with foreign institutions for assured supply of medical tourists. Specifically they may tie-ups with capacity constrained hospitals and insurance providers. For example Mohali's Fortis Hospital has entered into a mutual referral arrangement with the Partners Healthcare System, which has hospitals like Brigham Women's Hospital and Massachusetts Hospital in Boston under its umbrella, to bring patients from the US. The Apollo group has also tied up with hospitals in Mauritius, Tanzania, Bangladesh and Yemen. In addition, it runs a hospital in Sri Lanka, and manages a hospital in Dubai.

Conclusion

India is in an advantageous position to tap the global opportunities in the medical tourism sector. The government's role is crucial to the development of medical tourism. The government should take steps in the role of a regulator and also as a facilitator of private investment in healthcare. Mechanisms need to be evolved to enable quicker visa grants to foreign tourists for medical purposes where patients can contact the Immigration Department at any point of entry for quick clearance. Tax incentives to the service providers, import duty reduction on medical equipment, committees to promote and foster medical tourism are some of the initiatives that can be undertaken. There is also a need to develop supporting infrastructure such as transport services to facilitate tourism in India. The tourism, health, information and communication departments need to work in tandem for efficient patient care. This paper has

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recommended some of the medical tourism strategies for further promoting medical tourism in India.

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