

Growth of Medical Tourism in India: The Current Scenario

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Abstract

Medical tourism is becoming a popular option for tourists across the globe. Medical tourism is an attempt to attract medical tourists by deliberately promoting its medical and healthcare facilities. More than 130 countries around the world are competing for a pie of this global business. The popular medical tourism destinations include India, Brunei, Cuba, Columbia, Hong Kong, Hungary, Jordan, Malaysia, Singapore, South Africa, Thailand and USA etc. It encompasses primarily and predominantly biomedical procedures, combined with travel and tourism. Quality care, relatively cheaper health services compared to the west, package deals, and cheap services from the tourism and hospitality sectors and multiple specialties under one roof with no waiting list are the biggest attraction of medical tourism in India. The price differentials of various procedures and treatment packages for India with USA reveal the economic advantages offered to interested patients by India. Thus, the key competitive advantages of India in medical tourism stem from the strong reputation in advanced healthcare segment and the diversity of tourist destinations available in the country. The important concerns of the medical tourism industry in India include lack of quality accreditations to the Indian hospitals / service providers, lack of customer oriented approach and lack of uniform pricing policies and standards across hospitals.

Keywords--- Competitive advantages, Healthcare infrastructure, Medical tourism, Quality accreditations, Quality care

Introduction

Medical tourism also called as Health Tourism or Wellness Tourism is a new form of a niche tourism market which has been rapidly growing in the recent years. The term medical tourism is the act of traveling to other countries to obtain medical, dental and surgical care while at the same time touring, vacationing and fully experiencing the attractions of the country that they are visiting.¹ Healthcare has become one of the largest sectors - both in terms of revenue and employment in India. The industry comprises hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment. The Indian healthcare industry is growing at a tremendous pace due to its strengthening coverage, services and increasing expenditure by public as well private players.¹ The Indian healthcare industry is projected to continue its rapid expansion, with an estimated market value of US\$ 280 billion by 2020 with spending on health estimated to grow 14 percent annually. Healthcare has emerged as one of the most progressive and largest service sectors in India with a GDP spend of 4.6 percent 2014. Many countries have adopted a proactive approach for medical tourists and are facilitating it as a revenue generating business. The Indian government has begun to recognize the potential of tourism to Indian economy and has begun to invest in tourism infrastructure.²

The key reason for India's emergence as an important destination for healthcare is due to Indian doctors who are renowned world over. There are over 35,000 specialty doctors of Indian origin are working in the US alone. Also, Indian nurses are the most sought after and their caring approach towards treatment is well recognized internationally.³

It has been found that there are different opinions as to whether medical tourism is still a promising industry or had been considered firmly established. The industry is being followed and promoted with facilities including latest equipment technology and services levels in all metros in India.⁴

Alternate system of medicine is the popular indigenous healthcare traditions including Ayurveda, Siddha, Unani, Naturopathy, and Yoga. All these traditional healthcare systems are attracting national and international patients and generating tourism flows.⁵

Key factors which promotes Medical Tourism:

There are various factors which are responsible for growth and promotion of Medical Tourism in India. These include:

1. Cost effectiveness

Medical treatment in the developed country is much higher than that in developing country like India. This is one of the primary drivers behind people crossing borders for medical care and making India one of the famous destinations for medical and wellness tourism. The cost comparisons between India and USA suggest that the cost for angioplasty is \$ 28,200 while the same treatment costs \$ 5700 in India which is several times lower in India. Similarly, the cost of orthopedic surgery, cataract surgery, smile designing, metal free bridge, dental implants, breast treatment, face treatment, nose treatment, and body contouring and non-surgical procedures is also lower in

India than USA and many other countries like Malaysia, Singapore, Thailand, Hong Kong etc.⁶

2. Latest medical technology

India as a destination of medical treatment is attracting more tourists because of availability of latest medical technology. A number of hospitals in India have installed latest machinery for treatment.

3. Amenable legal framework

A legal framework refers to the policies that the host country has in place in order to encourage medical tourism, a less restrictive policy is better for international patients seeking medical care. Thus amenable legal framework in India promotes

- ✓ Ease in facilitation of visas
- ✓ Lucidity in the regulatory process
- ✓ Stakeholder feedback⁷

4. Quality of healthcare

A major factor behind patients repeatedly visiting a particular country such as India for its services, especially in areas that require advanced medical care and life saving surgeries depends on

- ✓ Availability of skilled doctors/ specialists
- ✓ Availability of paramedical staff
- ✓ Accreditation⁷

Healthcare facilities involved in medical tourism voluntarily seek JCI and NABH accreditation which ensure the quality standards of services provided. Improving patient safety, medication, infection prevention and control, quality performance improvement and the environment of care is a primary concern for hospitals in India. There is an availability of doctors having training and work experience from overseas like US, Australia, Germany and USA in Indian hospitals. The doctors are supported by a strong, comprehensive and well trained paramedical force comprising of nurses, technicians, attendants, clinical coordinators and nutritionists.

5. Hospitality

Hospitality includes accommodation options, languages similarity, cultural adaptability and logistics. India provides complete knowledge of Logistic support, Accommodation, Cultural adaptability, number of international airports and road connectivity to the patients.⁷ India is recognized place for treatment cum leisure. Many international patients prefer to combine their leisure and relaxation visit to India with healthcare. The Indian hospitality and healthcare facilities together are responsible in increasing the rate of increase in Medical Tourism in India.

6. Healthcare infrastructure

Infrastructure would include medical infrastructure in terms hospitals, no. of doctors, modern treatment options etc. India has a number of hospitals, large pool of doctors (approx 7, 00,000), nurses & supporting staff with required specialization and expertise. The most popular treatments sought in India by medical tourists are alternative medicine, bone-marrow transplant, cardiac bypass surgery, eye surgery and orthopedic surgery. India is known in particular for heartsurgery, hip resurfacing and other areas of advanced medicine. All medical examination and treatment are conducted using the latest technologically advanced and cutting edge diagnostic equipment. Stringent quality assurance exercises consistently ensure reliable and high quality test results in a timely manner.⁸

The health care sector in India has witnessed an enormous growth in infrastructure in the private and voluntary sector. The Indian government predicts that India's health-care industry of \$17 billion-a-year, could grow 13 per cent in each of the next six years, can be boosted up to 30 per cent annually if bundled with tourism sector.⁹

7. Availability of traditional healthcare therapies

India has a history of traditional healthcare treatment options such as Ayurveda, homeopathy, naturopathy, yoga and unani which are also contributing towards increasing medical tourism in India.

8. No communication barrier

All hospitals in India have the staffs who speak fluent English and hence language is not the barrier in India. Some hospitals has hired language translators also for the patients who come from African countries to make them feel comfortable.¹⁰

9. Government Initiatives

India is envisioned as a medical tourism hub by our government. Various medical tourism accreditation bodies like International Society for quality in Healthcare (ISQAH), Joint Commission International (JCI) approved various hospitals to this effect. India has proved to be a wellness destination for global travelers. Realizing this capability, together, Ministry of Tourism and Government of India is formulating guidelines and policies to promote wellness tourism of India, giving financial assistance to wellness centers accredited National Board for Accreditation of Hospitals and Healthcare Services.⁷

Government of India since 2006 has started issuing medical (M) visa to the patients who visit India for medical treatment. In the year 2014 Government of India had granted E-visa for 43 nations which has further turned as a boost for tourism in India.¹⁰

Indian Government has also undertaken various other measures to promote India as a global health destination, such as

1. Improvement in basic infrastructure.
2. Organization of road shows.
3. Dedicated exhibition space for Medical Tourism in International Travel and Tourism Exhibitions.

4. Production of publicity material and its circulation in target markets.
5. Provision of fiscal incentives by introducing Market Development Assistance Scheme. Under the scheme, financial support is provided to approve medical tourism service providers.

However, it is felt that the Government of India should play a larger role by acting both as a regulator and as a facilitator. As a regulator, the Government should institute a uniform grading and accreditation system for healthcare service providers to build patient's trust.

As a facilitator it should

- (i) Encourage private investment in medical infrastructure.
- (ii) Reduce rates, taxes and duties pertaining medical equipment and services.
- (iii) Simplify visa norms and procedures.
- (iv) Reduce instabilities and create terror free environment by enhancing security measures.
- (v) Invest in training and development of doctors, nurses and other paramedical staffs.
- (vi) Invest in accommodation sector.
- (vii) Reduce bureaucratic roadblocks.
- (viii) Improve airport facilities.
- (ix) Improve community participation and awareness.
- (x) Encourage the development and availability of good language translators.
- (xi) Adopt customer oriented approach in promotion of medical tourism.¹¹

Growth and Opportunities of Medical Tourism in India

As a part of medical tourism, India is recognized as the cradle for test tube babies and is popular for surrogacy services.¹² Over than these, India offers high-tech cardiac, pediatrics, dental, cosmetic and orthopedic surgical services as well as the traditional healing systems. The services provided are largely knee joint replacement, hip replacement (mostly orthopedic), bone

marrow transplant, bypass surgery and cosmetic surgery etc.¹³

The main reasons for the growing popularity in medical tourism in India are:

SWOT Analysis of Medical Tourism in India

Strengths	Weaknesses	Opportunities	Threats
Quality Service at Affordable Cost	No strong government support / initiative to promote medical tourism	Increased demand for healthcare services from countries with aging population (U.S, U.K)	Strong competition from countries like USA, Thailand, Malaysia, Singapore
Vast supply of qualified doctors	Low Coordination between the various players in the industry— airline operators, hotels and hospitals	Fast-paced lifestyle increases demand for wellness tourism and alternative cures	Lack of international accreditation
Strong presence in advanced healthcare e.g. cardiovascular organ transplants – high success rate in operations	Customer Perception as an unhygienic country	Shortage of supply in National Health Systems in countries like U.K, Canada	Overseas medical care not covered by insurance providers
International Reputation of hospitals and Doctors	Less number of accredited hospitals	Demand from countries with underdeveloped healthcare facilities	Under-investment in health infrastructure
Diversity of tourism destinations and experiences	Lack of uniform pricing policies across hospitals	Demand for retirement homes for elderly people especially Japanese	

(a) The long waiting lists in the developed countries.

(b) The low cost of medical treatments in India than the other developed countries. In India, complicated surgical procedures are being done at almost 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) 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.¹⁴

KEY ISSUES TO THE MEDICAL TOURISM INDUSTRY IN INDIA

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, (ii) 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.⁵
7. Macroeconomic factors that impact medical travel include political stability, terrorism, pollution, sanitation standards and quality of drinking water. These factors can be compared with Global benchmarking indicators.⁶

Conclusion

India is looked upon as the most favorite destination of medical and wellness tourism. It provides medical treatment to the international patients at lower cost with quality services. The international accreditation of hospitals will surely boost the medical tourism and wellness tourism in India. Low cost of treatment, highly qualified pool of doctors and supporting paramedical staff, English speaking man power and latest equipment technology are boosting medical tourism in India. Traditional medical therapies available in India are also becoming popular in wellness tourism. India is in 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.

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