Developing countries court medical tourists

Medical tourism has become a US$60 billion a year business and is growing by 20% a year. Experts predict businesses and governments in developed countries will join the trend, “outsourcing” medical services to low-cost providers abroad. Norra MacReady reports.

Frustrated by high costs, long waits, and red tape, a growing number of people in Europe and North America are seeking medical care in emerging nations like Thailand, India, and Brazil. For a fraction of the price and almost immediate access, these medical tourists can obtain treatment that proponents say is as good as, if not even better than, anything they would receive at home.

Shrewd hospital administrators in these countries are actively courting patients who are willing and able to circumvent the shortcomings of their own health-care systems, opting instead to have their prostate surgeries or joint replacements at foreign hospitals that welcome them—and their pounds, dollars, and euros—with open arms. Speakers discussed the implications of this trend at the International Medical Tourism Conference that took place between April 30 and May 2 in Las Vegas, NV, USA.

Medical tourism is already a US$60 billion global business, and it is growing by 20% every year. India alone will welcome about 500000 foreign patients to its hospitals this year, Crone said, and by 2012, medical tourists will pump about $2·2 billion into that country’s economy. People have always travelled abroad for health care, but a decade ago, the circumstances were very different, said Ruben Toral, group marketing director for Bumrungrad International, a Bangkok-based hospital that aggressively courts patients from overseas. Before 1997, the USA and Europe were “the centers of the health care universe”, especially for cancer and neurological therapies, and played host to well-off people from other countries where care lagged behind that available in developed nations. Asians could go to Singapore, which offered excellent treatment to those who could pay for it.

But when Asia slid into economic crisis between 1997 and 2001, many Asians could no longer afford to travel to Singapore, much less the USA. Sensing an opportunity, Bumrungrad executives said, “come here”, Torval explained. The trend intensified in 2001 after the terrorist attacks in the USA on September, 11, when people from Arab countries were discouraged from travelling to the USA. That year, the hospital saw 5000 patients from Arab countries. By 2006, the number of Arab patients at Bumrungrad had grown by nearly 20 times to 93 000.

Vanity also helped fuel the growth in medical tourism, when thrifty American baby boomers discovered they could save money, even including travel costs, by going to Thai or South American hospitals for some discreet cosmetic surgery. Foreign hospitals seem even more appealing now, as the cost of therapeutic procedures in the USA skyrockets, and the number of Americans without health insurance approaches 50 million. America, said Torval, “has opted these citizens out of their own health-care system”. He referred to an article in the New England Journal of Medicine that described medical tourists as “America’s new refugees”. In fact, he noted that the industry may be moving from a medical tourism business model to one more accurately termed medical outsourcing. Under this model, governments and private businesses, eager to take advantage of the cost savings of medical tourism, will establish formal agreements with foreign health-care providers that will set quality standards and safeguard patient safety.

Torval described the typical medical tourist as someone aged 50 years or more and in need of an elective surgical or medical procedure. The patient is unwilling or unable either to pay for the necessary care at home, or endure long hospital waiting times typical of some countries. But while the patient’s budget may have limits, it can accommodate travel to a developing country for good care at a reasonable price.

Bumrungrad International hospital in Bangkok, Thailand markets its services to overseas patients
Several factors allow hospitals like his to keep costs low, said Toral. First, the cost of living is simply less in Thailand than almost anywhere in Europe and North America. Second, their doctors are salaried hospital employees who just practice medicine without the additional burden of running an office. They also graduate medical school without the crushing debt so common among new physicians in the USA.

What is more, the hospital runs a strictly cash business—it has no accounts receivable department, which streamlines matters considerably. And Thai doctors do not struggle with prohibitive liability insurance. Punitive damages are unheard of in the Thai court system.

But it is precisely those differences in various countries’ liability systems that worried some audience members, who asked: what recourse do patients have if they are harmed? Currently, there is no satisfactory answer, but this question will loom large as medical tourism expands. Some observers fear that the health-care burden in the developed countries will only grow if local doctors have to correct mistakes made by practitioners in developing countries, as shown in one recent survey of 68 Australian plastic surgeons who had to fix the botched surgeries of more than 100 women returning from “cosmetic surgery holidays” in Thailand and Malaysia.

Right now, the industry is still in its infancy, and in many respects “it’s still the wild west”, Crone warned. Indeed, the biggest questions concern quality of care, and who assumes liability should something go wrong. Information on complications or bad outcomes among people engaging in medical tourism is very hard to come by. The hospitals that provide this care would like you to think this reflects their excellent results, but it is just as likely that the numbers simply do not exist. “More good data and academic research are needed”, John F P Bridges, assistant professor of Health Policy and Management at the Johns Hopkins School of Public Health in Baltimore, MD, USA, said during a panel discussion. Other questions involve the exact number of specific procedures done at a given hospital, the training and certification of its physicians and other staff members, and the overall condition of the facilities. At the same panel discussion, Rome Jutabha, director of the Center for Small Bowel Diseases at University of California, Los Angeles, in Los Angeles, CA, USA, recommended that professionals apply a checklist—“the five Ds”—when investigating a hospital outside their country (panel).

Many foreign hospitals have already become accredited by the US Joint Commission, which assesses and accredits health-care organisations in the USA. Through its subsidiary the Joint Commission International (JCI), the Joint Commission accredits international health-care facilities and also provides educational and consulting services to hospitals around the world. According to its website, the JCI has recently accredited hospitals in Turkey, Thailand, and Singapore. The number of JCI-accredited hospitals outside North America jumped from three in 2000 to 71 by 2006.

There are signs that market forces may help maintain standards of quality and accountability. Several companies have sprung up in Europe, North America, and elsewhere that will shepherd patients through the entire experience, from making the plane reservations to arranging the needed care and after-care. Some agencies will even arrange to let patients recuperate at a “luxury Asian resort”, if they wish. These firms are insisting that the hospitals they deal with be accredited by the JCI or another international credentialling body.

Despite fears over quality of care, some hospitals in emerging nations have developed expertise in certain procedures. Crone noted that Wockhardt Hospital and Heart Institute in Bangalore, India, has just completed its 500th beating-heart coronary artery bypass graft in an awake patient. “There is amazing medical care overseas”, added Jonathan S Edelheit, vice president of national sales and marketing for United Group Programs, a third-party administrator of employee benefit programmes in Boca Raton, FL, USA. He even suggested that foreign hospitals should consider opening branches within the USA.

With ageing populations in Europe, North America, and Japan, hospitals in these regions will see a small but steady loss of highly remunerative procedures as more and more people with no or inadequate health insurance go elsewhere for their care, Crone said. He predicted that insurance companies will develop products specifically for the medical tourism market, and emerging nations will build more privately financed corporate specialty hospitals to capitalise on their relatively low-cost labour forces. These institutions, he said, will establish a culture of quality by following a basic rule of the 21st-century market-place: “expand regionally, compete globally”.

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