



Topics globally affecting nurses,
their profession and health care

eBrief

November 2011 Number 2

Medical tourism

People crisscrossing the globe in search of better, cheaper health care have done so since antiquity. Legend has it that the ancient Greeks travelled to the coastal city of Epidaurus for cures. Spa towns and sanitariums are considered early forms of medical tourism. For example, in 18th Century England, people visited spas because they used mineral waters to heal and to treat diseases, such as gout and bronchitis. Medical tourism is not new. What is new is its emergence from a cottage industry to a burgeoning, unregulated business. Medical tourism has become a global business phenomenon.

What is medical tourism? It is the act of travelling to other countries to obtain medical, dental or cosmetic care and includes cross-border health care and regulation. It also refers to the practice of health care providers travelling to other countries to deliver health care.¹ According to the World Trade Organization, definitional issues and the lack of statistical data affect this rapidly emerging field of health tourism (also called medical travel).

Generally speaking, medical tourism, which includes hospitals and specialty clinics (cosmetology, fertility/reproductive, orthopedic, eye and dental care) is a subset of health tourism, which includes a wellness group that covers spas and holistic, alternative and traditional medicine, and retirement villages and nursing homes.

For the purpose of this eBrief, we will only focus on medical tourism.

Economics is said to drive the increase in medical tourism. According to a recent survey conducted by the Deloitte Center for Health Solutions, medical tourism will explode over the next four years.

Over 50 countries have identified medical tourism as a national industry, nevertheless, accreditation and other measures of quality vary widely across the globe. For example, the number of countries seeking to develop medical tourism is predicted to increase rapidly. Among the countries already considered to be hot spots are India, Thailand, Costa Rica, Columbia, Hungary, Poland, Lithuania, Malaysia, Jordan and Tunisia.

Apollo, a large, international, private medical service group, has 37 hospitals in India. In 2004, hospital partnerships in Kuwait, Sri Lanka and Nigeria, and plans for others in Dubai, Bangladesh, Pakistan, Ghana, Singapore, Philippines, London and Chicago, all grew international linkages.

In fact, the industry forecasts that the number of people turning to medical tourism will increase dramatically, with a trajectory in excess of 35% annually.² Although many experts question an exact prediction, most agree that medical tourism will increase with the potential to transform the health care landscape globally. The surge has been attributed to Westerners who are attracted to the concept of quality surgical treatment for a fraction of a cost they would pay in their own countries.³

The Deloitte 2009 Survey of Healthcare Consumers identified that 40% said that they would travel outside their immediate areas for care either based on a recommendation from their physician or for a 50% cost in savings. Only one in five expressed concern about leaving the community for the same reasons. In that same survey, 1% reported using an off-shore health care provider, and 9% said they are likely to do so. Those who said that they would be unlikely to do so totalled 69%.⁴

EMERGING TRENDS

Emerging trends that could fuel the demand for medical tourism are:

1. Increased globalization of the workforce
2. Increased access to low cost global transportation
3. Increased demand for out-patient surgery
4. Increased sophistication of medical tourism operations
5. Increased coverage/demand for dental surgery
6. Increased demand for cosmetic surgery
7. Increased demand for surrogacy

continued on next page



1. Increased globalization of the workforce

As health professionals travel the world for employment, the opportunity to work in facilities that treat globally mobile patients will grow. The occurrences of expatriots planning elective surgery in their ancestral home countries, for more culturally accepting health care, are predicted to increase as insurance plans and employers pursue this workforce.

2. Increased access to lower medical costs and low-cost transportation

Low-cost air fares will augment medical tourism opportunities. Lower costs for procedures, such as open heart surgery and bone marrow transplant, are key drivers. The combination of tourism and treatment make an appealing package.

3. Increased demand for outpatient surgery

In the United States from 1996 to 2006, the number of outpatient surgical procedures tripled. In 2006, close to 35 million patients had outpatient surgery. Since outpatients comprise almost 75% of medical tourism, consumer out-of-pocket payments are high⁵. The options of medical tourism will appear increasingly attractive.

4. Increased sophistication of medical tourism operations

The medical tourism industry is evolving within increased attention to surgical coordination, transparency, and risk, safety and outcome management. Benefit programs will become more sophisticated as medical tourism options are added to them.

5. Increased coverage/demand for dental surgery

As the population ages in developed countries, the demand for dental surgery will continue to grow. Also, greater focus on preventative services will likely increase the number of visits to the dentist each year. For example, the American Dental Association expects a significant proportion of dentist to retire during the next 25 years. Medical tourism could help ease this supply/demand mismatch.

6. Increased demand for cosmetic surgery

The American Society for Esthetic Surgery estimates that in 2007, Americans spent almost \$13.2 billion on cosmetic surgeries. The UK reports that from 2005

to 2007, the number of cosmetic procedures nearly doubled. The growing demand for these procedures could potentially be alleviated by medical tourism.

7. Increased demand for surrogacy

Reproductive medical tourism and outsourcing include networks of in-vitro fertilization, surrogate pregnancy, donor insemination, other reproductive technology treatments, physicians, psychologists and attorneys. International surrogacy programs are a specialized subset of reproductive medical tourism. Women may apply to become surrogate mothers or egg donors to help others become parents. Surrogacy costs and compensation vary greatly depending on the procedures and services required for each individual case.

POLICY CHALLENGES

As health care continues to be increasingly privatized and cost differentials remain in place, medical tourism represents one of the fastest-growing segments throughout the world.

Medical tourism has moved from an unacceptable to an acceptable health care option. While increasing health costs and long waiting periods in the developed world, in the developing world health markets are more competitive, resulting in medical tourism becoming a cost-worthy alternative for elective care. Even though the economic benefits are regarded as essential, they are not the only factors. Waiting lists for non-essential surgery, such as knee construction, make medical tourism a niche market for elective care.

Because of a lack of common definitions and inconsistent statistical reporting, it is apparent that most data regarding health services provided by medical tourism are anecdotal and controversial. However, three policy challenges — workforce issues, quality of care and regulatory structures dominate discussions about the efficacy of medical tourism.

Workforce issues

It has frequently been argued that medical tourism promotes brain drain/brain gain — directly impacting access to medical care for the local population. To address the issue, some governments require health professionals to work in the public sector before allowing them to migrate.

Medical tourism can reduce brain drain and encourage brain gain through countries offering high-paying employment. Also, state-of-the-art hospitals specially



created for medical tourism offer the chance for nurses to upgrade their skills without leaving the country. In addition, medical tourism provides domestic employment opportunities for hotel workers, restaurants, supply firms and the like. Tax revenues from medical tourism can be used to improve the quality of public health care.

Quality of care

Quality of care — the quality of the care provided by the institution and the qualifications of its health care professionals — is a major issue. The legal and regulatory protections in one country are rarely enforceable in others. For instance, malpractice and negligence are very rarely covered, leaving medical tourists to fend for themselves. On the other hand, the lack of malpractice insurance and stringent quality standards keep medical tourism costs low.

Recovery and follow-up care, so heavily promoted, also carry certain risks. Adequately reimbursing caregivers who provide follow-up care can be an unsolved challenge. Also, depending on the extent of the surgery, travelling very soon after surgery can increase the potential for complications.

Moreover, ethical issues and care continuity are increasingly significant with regard to equity and competitiveness. For example, medical tourism focused on pioneering advanced new technologies without clinical trials creates issues between acceptable medical innovation and unacceptable patient exploitation.⁶ Because informal channels of communication are commonly used, there tends to be less oversight to assure quality and redress issues.

Regulatory structures

The nature of medical tourism is complex and highly fragmented, with its enterprises belonging to very different industries such as transportation

accommodation, food services, tour operators, travel agencies, recreation and entertainment services.

In 2004, the Tourism Working Group, established by the Asia Pacific Economic Cooperation (APEC), published a study entitled "APEC Tourism Impediments Study Stage 2" that identified that tourism, including medical tourism, is highly vulnerable to external forces, such as acts of terrorism, economic trends, natural disasters, weather, climate and developments in competing destinations.⁷ The complex nature of medical tourism means that it is difficult, and almost impossible, for the medical tourism industry to articulate their needs with one voice to governments and non-governmental organizations. Thus, the much-needed development of international standards and regulations remains fragmented and varied.

In addition, the degree of regulatory oversight of health professionals varies around the world with some countries not having disciplinary processes in place. Medical tourists may find themselves with little recourse if they have concern regarding the practice of a health professional. As well, there is the concern that an incompetent or unethical practitioner may just move from one clinic to another when there are not regulatory mechanisms in place to allow for removal from the register.

SUMMARY

Medical tourism is an emerging global business providing an alternative process for delivery of health care services. No longer a fad, it has become an acceptable option on the global health agenda. While experts identify medical tourism as a growing phenomenon, they also acknowledge that it is too soon to know whether the growth will be sustained. Nevertheless, globalization and medical tourism are creating the "globalized health system of the future", including international networks of highly specialized providers and facilities.

1 World Trade Organization, Council for Trade in Services, "Tourism Services", S/C/W/298, 8 June 2009.

2 "Medical Tourism: Update and Implications", Deloitte Center for Health Solutions, 2009.

3 "Medical Tourism: Consumers in Search of Value", Deloitte Center for Health Solutions, 2009.

4 "Medical Tourism: Update and Implications," Deloitte Center for Health Solutions, 2009.

5 "Medical Tourism: Consumers in Search of Value", Deloitte Center for Health Systems, 2008.

6 Lindvall O, Hyun I. "Medical Innovation Versus Stem Cell Tourism" *Science*. 26 June 1009; 324(5935): 1664-5.

7 "APEC Tourism Impediments Study Stage 2", APEC (TWG/01/2004), December 2004, p100.

8 Shaffer F. "Destination U.S.A.? Knowing the Right Questions to Ask", *Medical Tourism*. Issue 22, September/October 2011; 27-29.

ICNM eBriefs present information and/or analysis on a single issue or trend affecting the nursing profession in a certain country, region or globally.