



AN EMERGING DESTINATION FOR MEDICAL TOURISM: A STUDY OF INDIA

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Abstract

Medical tourism in India has emerged as the fastest growing segment of tourism industry. It has become a favored destination for people from all over the world for medical care and for various treatments. This paper presents the current scenario of Medical Tourism industry in India. It also highlights the reasons for increase in medical tourists in India. Furthermore, it presents the various initiatives taken by Government of India to promote medical tourism in the country. It has been found that for almost all treatments, India has cost advantages. Its price is the lowest among any nation in the world. Furthermore, Ministry of Tourism (MoT) has taken various steps to promote medical tourism in foreign markets. Medical visa is initiated for medical tourists and various international trade shows/ road shows are being organized by MoT. For development and growth of medical tourism industry, MoT also provides financial assistance to Medical Tourism Service Providers under Market Development Assistance (MDA) scheme.

Keywords: Health tourism, Medical tourism, Medical care



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INTRODUCTION

Medical tourism is a new form of a niche tourism market which has been rapidly growing in the recent years. Johnston *et al.* (2011) define medical tourism as a term involving people who travel to a different place to receive treatment for a disease, ailment, or condition, and who are seeking lower cost of care, higher quality of care, better access to care, or different care than they could receive at home. Carrera and Bridges (2006) define medical tourism as —the organized travel outside one's local environment for the maintenance, enhancement or restoration of an individual's well-being in mind and body. According to Whittaker (2008), medical tourism encompasses primarily on bio-medical procedures combined with travel and tourism. According to Goodrich & Goodrich (1987), medical tourism is the attempt to attract tourists by deliberately promoting its health-care services and facilities, in addition to its regular tourist amenities. In other words, Medical tourism can be defined as the process of traveling outside the country of residence for the purpose of receiving medical care.

Medical tourism is a rapidly budding sector in the global market, which is now actively developed by both public and private tourism sectors and healthcare organizations. It is a developing concept and this sector is growing at a very fast rate. Various emerging countries like Thailand, Malaysia, Singapore are promoting medical tourism aggressively. India is also emerging as a prime destination for medical tourism around the globe. In India, people from world over visit for their medical and relaxation needs. It is also offering other medical services like yoga, meditation, ayurveda, naturopathy, aromatherapy and homeopathy which are increasingly becoming popular as a non-surgical treatment for various ailments among the foreign patients.

OBJECTIVES OF THE STUDY

In this paper, an attempt has been made to highlight the current scenario of Medical Tourism industry in India. This study also highlights the reasons for increase in medical tourists in India. Furthermore, it presents the various initiatives taken by Government of India to promote medical tourism in the country.

MEDICAL TOURISM INDUSTRY IN INDIA

Recent Trends

The recent trend in the tourism sector shows a propelling growth in this industry. Table 1 depicts the percentage of foreign tourist arrivals (FTAs) in India for medical treatment from the year 2009 to 2014. It is clear that the tourists arrivals for medical treatment in India increased from 2.2 percent in 2009 (113689) to 3.4 percent in 2013 (236898). However, in 2014 it decreased to 2.4 percent (184298).

Table 1: FTAs in India for medical treatment (2009- 14)

Year	Total number of FTAs in India	FTAs for Medical treatment (in percent)
2009	5167699	2.2
2010	5775692	2.7
2011	6309222	2.2
2012	6577745	2.6
2013	6967601	3.4
2014	7679099	2.4

Source: India Tourism Statistics 2013, 2014. Available at <http://www.tourism.gov.in>

Table 2 gives country wise classification of FTAs in India for medical purpose from the year 2009 to 2014 (*data after 2014 is not shown in the paper as country wise classification of FTAs in India on basis of visas is not mentioned by Ministry of Tourism in India Tourism Statistics 2015, 2016 and 2017*). It is clear from the table that, percentage of maximum FTAs for medical treatment came from South Asia (comprising of Afghanistan, Iran, Maldives, Nepal, Pakistan, Bangladesh, Sri Lanka and Bhutan) in the year 2009 (8.2%), 2010 (8.9%) and 2012 (9.3%). In 2011, highest percentage of FTAs for medical treatment came from West Asia (8%) (comprising of Bahrain, Iraq, Israel, Oman, Saudi Arabia, Turkey, UAE, Yemen) followed by South Asia (7.4%) and Africa (6.9%) (comprising of Egypt, Kenya, Mauritius, Nigeria, South Africa, Sudan, Tanzania). In 2013 and 2014, highest percentage of FTAs for medical treatment came from Africa followed by West Asia and South Asia.

Table 2: Country wise classification of FTAs in India for medical treatment (Year 2009-14)

Country	Year 2009		Year 2010		Year 2011		Year 2012		Year 2013		Year 2014	
	FTAs (no.)	% of FT A *	FTAs (no.)	% of FT A *	FTAs (no.)	% of FT A *	FTAs (no.)	% of FT A *	FTAs (no.)	% of FT A *	FTAs (no.)	% of FT A *
North America	1024469	0.3	1173664	0.3	1239705	0.3	1295968	0.3	1340531	0.3	1387468	0.1
Central & South America	47672	0.4	62728	0.3	60988	0.3	63699	0.3	68436	0.4	69926	0.2
Western Europe	1610086	0.2	1750342	0.2	1838695	0.3	1853066	0.4	1855866	0.3	1860580	0.1
Eastern Europe	182843	0.4	227650	0.5	274598	1.1	312686	1.9	405083	3.1	422278	1.5
Africa	165874	4.5	204525	5.4	232386	6.9	261428	8.5	275271	14.2	280754	12.2
West Asia	201110	7.1	235317	7.5	278773	8	290996	8.4	343113	12.3	413678	7.0
South Asia	982633	8.2	1047444	8.9	1139659	7.4	1171499	9.3	1215035	10.4	1694857	6.3
South East Asia	348495	0.5	439043	0.7	521755	0.7	540914	0.6	630054	0.6	685805	0.4
East Asia	318292	0.1	411947	0.1	475951	0.1	535622	0.1	547305	0.1	546792	0.1

Australasia (Australia, new zealand and others)	181849	2.4	210275	0.1	233165	0.4	244511	0.4	263574	0.5	286294	0.4
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Note: * percentage of foreign tourist arrivals (FTAs) in India for medical purpose

Source: India Tourism Statistics 2009, 2010, 2011, 2012, 2013 and 2014. Available at <http://www.tourism.gov.in>

Reasons for the increase of the medical tourism in India

India has become a favored destination for people from all over the world for medical care and for various treatments. Most common treatments are heart surgery, knee transplant, cosmetic surgery and dental care. Besides India, there are several other Asian destinations like Singapore, Malaysia, and Thailand that are offering Medical care facilities and promoting medical tourism. India excels among them because of the following factors: -

1. Most of the doctors and surgeons at Indian hospitals are trained or have worked at some of the medical institutions in the US, Europe, or other developed nations.
2. India has the second largest number of accredited facilities after Thailand (*see Table 3*). India is having 25 JCI (Joint Commission International Accreditation) accredited facilities and over 300 NABH (National Accreditation Board for Hospitals and Healthcare Providers) certified hospitals. JCI accreditation is considered the gold standard in global health care and provides quality conscious patients confidence and security about clinical outcomes. More number of accredited hospitals in a country, depicts its better position in the global medical tourism arena. While JCI is globally recognized, hospitals certified by national boards such as NABH (in India) also tend to meet global standards in clinical outcomes and processes.

Table 3: JCI accredited facilities in select countries

Country	No. of JCI accredited facilities
India	25
Thailand	45
Singapore	21
Malaysia	13
Mexico	9
Costa Rica	2

Source: *Transformative Evolution: From 'wellness' to 'medical wellness' tourism in Kerala, White paper by CII- Grant Thornton (Oct 2015)*

3. Foreign tourists do not face any language problem as medical staff i.e. doctors and nurses in India are well versed in English.
4. High quality medical and diagnostic equipments from global international conglomerates are available at many Indian hospitals.
5. The reasonable international air fares and favorable foreign exchange rates is another factor contributing towards medical tourism in India. Even the budget-conscious tourist can afford high quality service and luxury amenities.
6. Foreign tourists do not have to wait for availing the medical facilities.
7. Cost competitiveness is one of the major factors responsible for making India a preferred destination for medical tourists. The cost of medical treatments in developed countries, particularly in the US and the UK, has been significantly high, which has impelled the patients from these countries to visit cost effective destinations like India (*see Table 4*).

Table 4: Cost Competitiveness (% savings in other countries v/s US)

Treatments	India	Thailand	Singapore	Malaysia	Mexico	Costa Rica	South Korea
Hip Replacement	84%	73%	73%	78%	69%	74%	77%
Knee Replacement	79%	76%	69%	80%	64%	74%	71%
Spiral Fusion	77%	61%	32%	56%	45%	58%	56%
Heart Valve Replacement	94%	93%	91%	94%	80%	80%	72%
Gastric Bypass	62%	33%	25%	56%	39%	39%	31%
Face-lift	72%	57%	30%	57%	58%	64%	52%
Rhinoplasty	53%	31%	23%	44%	55%	44%	23%
Heart Bypass	95%	92%	86%	93%	80%	82%	77%

Source: *Transformative Evolution: From 'wellness' to 'medical wellness' tourism in Kerala, White paper by CII- Grant Thornton (Oct 2015)*

From the above table, one can find that medical procedures in India allows patient to save about 53-95 percent as compared to cost of certain procedures in the US. For instance, a heart bypass surgery, which costs about \$130,000 in the US, will cost the patient just about \$7,000 in India.

According to a CII - Grant Thornton white paper, cost is one of the major factor for nearly 80 per cent of medical tourists across the globe. The cost-consciousness factor and availability of accredited facilities have led to emergence of several global medical tourism corridors like India. Thus, it is expected that medical tourism industry in India will grow more than double in size from USD 3 billion at present to around USD 8 billion by 2020, since healthcare turns costlier in developed countries. It is clear that medical tourism sector in India is growing at a fast pace and the same is having positive impact on its health workforce. Increasing medical tourism will help in reversing the brain drain. The health workers (doctors and nurses) who are migrating to developed countries for greener pastures will prefer to stay in India.

ROLE OF GOVERNMENT IN PROMOTING MEDICAL TOURISM IN INDIA

The Medical Tourism in India is primarily driven by the private sector. To promote medical tourism industry, Ministry of Tourism (MoT) acts as facilitator in advertising and promoting this sector in the key international markets. Various steps are taken by MoT from time to time to promote India as a Medical Tourism Destination. New kind of Visa is initiated by MoT for medical visitors from foreign countries, known as the “M” or medical visas (Chinai and Goswami, 2007). It is valid for a period of one year or period of treatment, whichever is less. M-visa can also be extended up to another year on the orders of the State Governments or Foreigner Regional Registration Offices (FRROs), provided hospital of India gives a medical certificate. If more extension is needed then on the suggestion of the State Government / FRROs along with suitable medical papers, the Ministry of Home Affairs can give a validation. Continuous efforts are being made by Government of India (GOI) to improve basic infrastructure facilities in the country to attract medical tourists from foreign countries. To ensure speedy development of infrastructure facilities, government is taking up projects on public private partnership (PPP) basis. Modernization of airports at Delhi, Mumbai and Bangalore on basis of PPP model, ensure smooth arrival and departure of medical tourists.

MoT have also prepared CDs, brochures and other publicity material and circulated the same in key foreign markets to promote medical tourism. MoT have promoted medical tourism at various international trade shows such as World Travel Mart, London, ITB, Berlin, Arabian Travel Mart. Many road shows are organized by MoT to support Indian medical tourism. In October 2009, four remarkable road shows, supported by Indian Medical Travel Association (IMTA), were organized in target markets of Middle East - Dubai, Doha, Kuwait and Jeddah. In August 2012, MoT along with FICCI organized a road show in Kenya and Tanzania to promote India as one of the favored Medical Tourism destination. MoT also supported International Summit- Advantage Health Care India 2015, organised by FICCI and released Rs.12.59 lakhs for the same. It also helped the Medical & Wellness summit 2015, organized by PHD Chamber of Commerce, held at New Delhi. For organizing the instant event, the Ministry of Tourism sanctioned an amount of Rs. 10 lakhs to PHD Chamber of Commerce.

Fiscal Incentives are also provided by MoT for growth and improvement of Medical Tourism industry in India. MoT provides Market Development Assistance (MDA) to the Medical Tourism Service Providers for participation in approved Medical Tourism Fairs/ Conferences and various road shows. Financial support under the MDA scheme is also provided to approve medical tourism service providers, i.e., the representatives of Hospitals accredited by Joint Commission for International Accredited Hospitals (JCI) and National Accreditation Board of Hospitals (NABH) and Medical Tourism facilitators (Travel Agents/Tour Operators engaged in Medical Tourism and approved by Ministry of Tourism, Government of India. During the year 2015-16 (till December 2015), the Ministry of Tourism under MDA Scheme provided financial assistance of Rs. 84.84 lakh/- to the Medical Tourism Service Providers.

SUMMING UP

Medical tourism in India has emerged as one of the fastest growing sector of tourism industry. India is unique in terms of medical tourist destination, as it offers holistic medicinal services with yoga, meditation, ayurveda, allopathy and other medical facilities. Thus, provides a unique basket of services to an individual that is hard to match with other foreign countries. At present, medical tourism industry in India is at a blossoming stage and has a huge potential for future growth and development. As medical facilities are costlier in developed countries, India's

medical tourism industry is projected to grow more than double in size from USD 3 billion at present to around USD 8 billion by 2020. For Indian healthcare institutions, cost advantage is the biggest benefit, followed by availability of accredited facilities. Therefore, India is in favorable position to tap the global opportunities in the medical tourism sector.

The role of GOI is very important for the development of medical tourism industry. The government should play the role of regulator as well as facilitator of private investment in healthcare. System need to be evolved to ensure quicker medical visa grants to foreign visitors for medical purposes. High quality health standards should be set up by government and medical council to position India as the most favored destination for medical tourism. Government should also ensure that all healthcare institutions are meeting those set standards by keeping a vigil on them. Strict action should be taken by the government in case the hospital fails to maintain those standards or found guilty of not following the prescribed medical norms.

Further, India is the birthplace for a large global pool of qualified doctors who are practicing in foreign countries because for greener pastures. Such experienced doctors would be keen to return to their country i.e. India, if they get good pay packages and sound infrastructure and other facilities. Therefore, all efforts should be made to reverse this brain drain. Such doctors will bring with themselves a captive patient base from such foreign countries and their goodwill and reputation will also help the country in building a brand in Medical tourism industry.

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