

MEDICAL TOURISM: CHALLENGES, FUTURE PROSPECTS

CHANDRESH JAIN^{a1}, RAHUL KUMAR JAIN^b AND AYUSHI JAIN^c

^{abc}Faculty of Management, Dknmu, Newai, Dr. K.N. Modi University, Newai, Tonk, Rajasthan, India

ABSTRACT

Medical tourism is a good option for tourists across the globe. It encompasses primarily and predominantly biomedical procedures, combined with travel and tourism in India. Travel agencies and the mass media to describe the rapidly growing practice of travelling across international borders to obtain hi-tech medical care and treatment. Various countries like Nepal, Thailand, India, etc are promoting medical tourism rapidly. Advantages of medical tourism in India cheap treatment, good reputation in healthcare segment. Good tourist destinations available in India. The lack of industry include: negligence of government initiative, absence of a coordinated effort to promote the industry, absence of accreditation mechanism for hospitals and no uniform pricing policies. Medical tourism is fast growing multibillion-dollar industry around the globe. The mixing of two of the largest world industries: medicine and tourism. The paper identifies the SWOT of medical tourism. Finally, this paper analyses the main reasons why like India attracts foreign tourists.

KEYWORDS: Medical Tourism; SWOT; Public Healthcare; Foreign Patients; Incredible India

Medical tourism in India attracting millions of foreigners. India is availability of well trained, qualified and experienced and doctors in India. India's doctors are most competent. India will capture 5% of the total international medical tourism market. It will get foreign exchange revenue of \$ 5.2 billion. India is receiving around 2 million health tourist from all over the world.

India is very famous for medical tourism in the world. India spends 2% of its GDP on medical services. Medical treatment in India is cheap as it charges 20% less than any other foreign country in the world. Patient from US, UK, and Canada are in the maximum number coming to India for medical treatment. Indian clinical and paramedical talent is universally recognized, the JCI accreditation to some hospitals has proven a boon to medical system. India is the gaining the faith of foreign patients.

In India there is no waiting and no extra charges for their treatment. The per capita health care cost in Korea is \$750, and in India \$90. Treatment in India is 20% cheaper with comparison to US and Thailand. India is coming forward to initiate steps to explore medical tourism potential.

India incorporated a collaboration of industry and government representatives to form a medical hub. India is working on a project to develop medical facilities and India is planning to develop medical institutions. India is providing yunani, aurvedic, allopathic, homeopathy and naturopathy advantage of medicine. Millions of people have

benefitted with the medicinal wisdom of our skilled medical professionals. Kerala and Karnataka have emerged as a hub for ayurvedic treatment. India is well known health care centre. India is healing the patient with the virtue of natural herbs. Health tourist enjoys the benefits of scenic scenes, natural beauty, spas, and pleasant weather. Further Uttarakhand and Himachal are gaining importance for healing the patient with yoga and meditation and natural medicines. Chennai has emerged as a prime destination for cardiac care , orthopedic care, mental trauma, and other kind of allopathic treatment, and serving millions of domestic and foreign patient at that cost which is comparatively very low than that of their own country. Has emerged as the fastest growing segment of tourism industry. High cost of treatments in USA and UK has been forcing patients from such regions to look for alternative and cost-effective destinations. The Indian medical tourism industry is presently at a beginning stage, but has an enormous potential for future growth.

The cost of medical treatment 35% less than develop country. A cardiac patient has to pay only US\$ 3000 - 6000 in India. At India one is charged US\$80 for some tests which include blood tests, electro-cardiogram tests, chest X-Rays, lung tests and other tests. Medical tourism is a growing sector in Asia. Annual growth rate is 30% for medical tourism. Estimates of the value of medical tourism to India go as high as \$5 billion a year by 2030. Medical Tourism in the global context is at the rising trend in the third world because of affordability, cost, facility and expertise of some countries from the first world and also

¹Corresponding author

from the third world countries too. Third world countries like Cuba, Argentine, Mexico, Hungary, South Africa, Thailand, Singapore and India are the major players in the world. Today more than 250, 000 patients per year visit India alone – nearly half of them from the Middle East. . India has emerged as a significant destination for treatment and tourism. The country offers great value for money in terms of medical treatment for both visitors from developed countries as well as developing countries. India offers treatment at half cost of similar treatments in medical tourism hot spots such as Singapore and Thailand.

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

- a) No waiting lists in India,
- b) The low cost of medical treatments in India,
- 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,
- e) Advance technology, specialist doctors, nurses and para-medical staffs that are working in the big hospitals and diagnostics centers in India.
- f) In India, the medical education system also caters to the ever increasing demand for the delivery of the quality health care services all over the country.

WHAT IS MEDICAL TOURISM?

Tourism is well known term, meant to explore new areas, enjoy leisure time at peace. Medical tourism' is catching everybody's attention. Medical tourism or medical travel is the act of traveling to other countries to obtain medical, dental and surgical care at ease and with affordability of traveler's choice." The term was initially coined by travel agencies and the media as catch all phrase to describe a rapidly growing industry, where people travel to other countries to receive medical care and treatment.

HISTORY OF MEDICAL TOURISM

The concept of medical tourism is not new one. The first recorded instance of medical tourism dates back to thousands of years, when Greek pilgrims traveled from all over the Mediterranean to the small territory in sardonic gulf called Epiduria. This territory was the sanctuary of the healing god Alkelspios. Epidura became the original travel destination for medical tourism.

OBJECTIVES

Following are the objectives of the research study:

1. To explore the potential of Medical Tourism industry in India.
2. To study the cost- effectiveness of Medical treatment in India.
3. To examine the role of Indian Government in promoting Medical Tourism and Medical Tourist inflow.
4. To examine the role of Government in attracting Pharmaceuticals Industries to promote Medical Tourism.

RESEARCH METHODOLOGY

Research methodology is descriptive, exploratory and casual. For this study data and information has been collected with the help of Books, Magazines, Newspapers, Research Articles, Research Journals, E-Journals, UNWTO Report, Report of Ministry of Tourism, Report of World Travel and Tourism Council and the website www.health-tourism-india.com etc.

WHY THERE IS GROWTH IN MEDICAL TOURISM?

Medical tourism is not new in India. Especially, such centers like Mumbai, Chennai, etc, which are providing good medical care, since very long. Tourists from various neighboring countries are frequently visiting our country for available best medical care at affordable cost. However, India is becoming one of the major hubs, for providing medical care to various categories of foreigners, visiting from all over the world. It is interesting to note that in year 2015 alone, over 7, 50,000 visitors from 65 different countries visited India for various types of treatment. There is steady rise in number of tourists visiting as patients from Africa, Oman, where there is paucity of medical facilities and expertise.

World class medical facilities are available at fraction of the cost as compared to other countries.

The main aim of medical tourism is to provide, healthcare services outside the home country of the tourist patients. Such services are elective procedures; complex

specialized surgeries heart surgery, dental procedure and cosmetic surgeries.

Apart from this, many foreigners are attracted towards traditional medical system like Ayurvedic and Naturopathy etc. Kerala, or God's Own Country as its corporate slogan goes, has pioneered health and medical tourism in India. They have made a concerted effort to promote. Health tourism in a big way, which has resulted in a substantial increase of visitor arrivals into the state.

Kerala and Ayurveda have virtually become synonymous. Kerala has strongly focused on Ayurveda and its wide array of treatments and medications.

REASONS FOR RISE IN MEDICAL TOURISM

1. Best of the medical facilities and expertise are not available in the foreign countries. This is mostly in developed and under developed countries.
2. In USA & UK very Long waiting list for treatment.
3. Very high cost of medical treatment.
4. Latest technology and standards of medical treatments are now available in other countries at low cost.
5. Convenience and easily availability of medical care as per patient's choice and intention.
6. Medical insurance settlement is also a major problem.
7. The easy affordability of international travel at very low cost.
8. Easily available specialized Indian doctors, supporting staff and personal attention in patient care and treatment.

AVAILABILITY OF VARIOUS MEDICAL PORTFOLIOS IN INDIA

According to study 80% of health care services in India are provided by the private sector. India is granting various incentives and tax rebate to various pharmaceuticals industries to provide medicines, surgical-equipments, and other medical facilities.

Various specific tour packages available to medical tourist are as follows:-

1. Bone Marrow Transplant
2. Brain Surgery
3. Cancer Procedures (Oncology) and Cardiac Care
4. Cosmetic Surgery & hair replacement
5. Dialysis and Kidney Transplant
6. Drug Rehabilitation

7. Gynecology & Obstetrics and pregnancy
8. Health Checkups & blood vessel system surgery
9. Internal/Digestive Procedures
10. Joint Replacement Surgery
11. Nuclear Medicine, Neurosurgery & Trauma Surgery
12. Osteoporosis, Urology and Vascular Surgery
13. Gall Bladder stones surgery and Hernia surgery
14. Laparoscopic Appendicectomy,
15. Laparoscopic Banding of stomach for Morbid Obesity and others
16. Hip-Knee replacement surgeries and other orthopedic surgeries.
17. Heart surgery packages like Cardiac Surgery and Cardiology, Open Heart Surgery, Angiographies and Angioplasties.
18. Treatments of different skin problems including skin grafting.

SERVICES OFFERED BY TOUR PLANNER

- Make appointment with concerned specialist of a reputed hospital.
- Makes arrangements for their escorting, transportation and accommodation.
- Helps in obtaining medical visa.
- Helps in preparing other documents as.
- Makes arrangements for their treatment in medical facilities.
- Makes arrangements for sightseeing, local transportation, and shopping.

CONTRIBUTION OF MEDICAL TOURISM IN THE INDIAN ECONOMY

Presently health care in western countries has become very much expensive the quality of doctors and medical equipment is the best in India is one of the best centers providing high quality health care. Some foreigners come on vacation with major agenda of medical care in their travel plans. Tourists come for orthopedic, ophthalmology, reproductive health care, cardiology, urology, cosmetic surgery, dentistry, since medical care and highly skilled, talented professionals are available at affordable cost as compared to their own countries.

Especially in Asian countries like Philippines, India, Singapore, Thailand and Honk Kong etc. are becoming major hubs for medical tourism. Some of the medical centre in India is well known for specialized

procedure great availability of skill professionals medical care in India is increasing. We are lacking behind due to the poor availability of the infrastructure and good hotels. However, India is emerging as most preferred destination for medical care across the globe.

The cost is 50% less than that of any European country. Government is trying to persuade the international tourist traffic by offering medical visa. India offers rejuvenative services such as yoga, meditation, herbal therapies and skin treatments as a result India is receiving a huge number of international tourists who are coming to gain the rejuvenative benefits. In 2016, India has received a total of 380,000 foreign health tourists. Annual Growth Rate of over 26%. Tourism in India is one of the fast revenue generating industry and contributing around 7.22% to the National GDP, and providing employment to over 12.34% of the total country's workforce.

India government is introducing various kinds of tax deductions and exemptions to attract foreign investors.

India is preferred as a health destination, mostly by those people who are living abroad and by those foreigners who demand for speedy and in expensive treatment. Indian hospitals are now well equipped with skilled, trained and experienced doctors. Medical Tourism in India is on the peak. Various private investors and pharmaceuticals companies are coming forward to provide their services to the health tourist. Tourism in India is flourishing and gaining a status of industry and contributing a lot towards the revenue generation and removing the problem of unemployment from the society.

PRELIMINARIES REQUIRED STARTING A CENTER

1. It requires huge financial investment for latest modern set up in medical centre.
2. Good infrastructure and availability of convenient transport for tourists
3. Up gradation of medical facilities
4. Availability of accommodation facilities
5. Cost affordability and Insurance cover
6. Highly trained man power
7. A good coordination between government policies and medical industry
8. Legal protection in medical disputes

9. Accreditation of medical facilities by IOS and JCI or MCI
10. Hospitals, institutes having availability of all facilities under one roof.
11. A need of proper pricing policy as per accredited medical facilities is must.
12. A good marketing strategy

TANGIBLE BENEFITS OF MEDICAL TOURISM

1. Foreign exchange earnings which enable good economic wealth of nation.
2. Cost advantage in tariff and taxes over the developed countries.
3. Improve information sharing with countries.
4. Increase in efficiency of patient care process and cutting edge treatment.
5. Improvement in hospital supply chain efficiency from market.
6. Strategic and policies alliances with business partners within and outside the country.
7. Technology and knowledge transfer with globe.
8. Better logistics performance both in internal and external level.
9. Creation of employment opportunities in the country.
10. Best utilization of infrastructure and skilled manpower.
11. Opportunity for development in Infrastructure in Health, Tourism as well as Travel.
12. Connectivity with air, road, rail as well as information and communication industries.
13. Clustering of medical Travelers.
14. Health opportunities for foreign patients may lead to better standards.
15. Scope for R&D to offer comprehensive medical solutions.

INTANGIBLE BENEFITS OF MEDICAL TOURISM

1. International acceptance of country as a global health care providers and treatment.
2. Social and cross cultural experience and International customer relations.
3. Global Marketing and Medical Trade relations with countries.
4. Brand image of India as world-class healthcare destination.

5. Competitive advantage and Patient satisfaction.
6. Better coordination among the partners with hospitality industry.
7. Public and Private Partnerships.

SWOT ANALYSIS ON INDIAN MEDICAL TOURISM

Strength

1. Quality Service at Affordable Cost and Vast supply of qualified doctors.
2. Strong presence in advanced healthcare e.g. cardiovascular, organ transplants.
3. High success rate in operations.
4. International Reputation of hospitals and Doctors.
5. Diversity of tourism destinations and experiences.

Weakness

1. No strong government support & initiative to promote medical tourism.
2. Low Coordination between the various players in the industry– airline operators, hotels and hospitals.
3. Customer Perception as an unhygienic country.
4. No proper accreditation and regulation system for hospitals.
5. Lack of uniform pricing policies across hospitals.

Opportunities

1. Increased demand for healthcare services from countries with aging population.
2. Fast-paced lifestyle increases demand for wellness tourism and alternative cures.
3. Shortage of supply in National Health Systems in countries like U.K, Canada.
4. Demand from countries with underdeveloped healthcare facilities.
5. Demand for retirement homes for elderly people especially Japanese.

Threats

1. Strong competition from countries like Thailand, Malaysia, Singapore.

2. Lack of international accreditation.
3. Overseas medical care not covered by insurance providers.
4. Under-investment in health infrastructure.

KEY FINDINGS OF THE RESEARCH

Due to an increase in the average life expectancy, average income levels, and rising awareness for health insurance among consumers.

- a) India hospitals are JCI accredited.
- b) Foreign investors and pharmaceuticals industries are coming forward to invest in the medical sector.
- c) Inexpensive and affordable costs of medical care services.
- d) Experienced and talented professionals comprised of nurses, technicians, attendants, clinical co-coordinators, and nutritionists.
- e) The doctors of India are disseminating their technical talent and art of surgeries.
- f) English speaking staff removes communication gap between patient and the hospital staff.
- g) India receives maximum of its international medical tourist.
- h) Various Health travel planners are coming forward.
- I) Indian Government is investing a huge amount on promotional activities.
- j) Maharashtra, Bangalore, Gujarat, Kerala and Karnataka, receives maximum number of foreign health tourist,
- k) Tourism in India is also one of the fast revenue generating.
- l) Medical tourism in India will receive around 3.2 million health tourist from all over the world.
- m) Annual growth rate (CAGR) of 28.02 over the year 2016.
- n) India will receive \$2.3 billion business by 2016, from medical tourism.
- o) The Apollo, Max Health Care, Escorts, Stephens's hospital, Jason Hospital, and Global Hospital, in India are catering the need of medical care for international patients

in the areas of diagnostic, disease management, and preventive health care.

p) In health care services India is investing 80% by the private sector.

GOVERNMENT INITIATIVES TO PROMOTE MEDICAL TOURISM IN INDIA

Government is inviting and attracting foreign and private investors to invest in the infrastructure, accommodation, aviation, and pharmaceuticals sectors to provide best quality of services to their customers. Government a wide variety of exemptions, incentives, lower import duties and higher depreciation rates on medical equipment.

- 1) Ministry of Tourism has promotional tools such as CDs, Pamphlets, Brochures, and other directories etc.
- 2) International platforms are used such as World Travel Mart, London, ITB, Berlin, ATM etc.
- 3) A specific category of Medical Visa 'for foreign health tourist
- 4) Incredible India campaign introduces to promote Yoga and Meditation/ Wellness Tourism in India.
- 5) Road shows in West Asia to promote medical tourism.
- 6) Market Development Assistance', to provide financial assistance

GOVERNMENT INITIATIVES TO ATTRACT PHARMACEUTICALS INDUSTRIES

India's pharmaceuticals sector is growing very fast and gaining a global leadership position in supplying medicines or drugs all over the world.

- 1) No increase in excise and service tax rates.
- 2) Reduction in the import and excise duties
- 3) Cut on duties on chemicals, kits and machines.
- 4) Continue to keep diagnostic services.
- 5) Removal of current anomaly between bulk drug and formulations.
- 6) Providing incentives to promote hospital infrastructure and medical device manufacturing industry.

7) Under section 35AD, weighted deduction of 150% of the capital expenditures.

8) Under section 35(2AB), weighted deduction of 200% of expenditures not incurred on approved in-house research and development facilities.

9) Under section 80 D, a deduction of Rs 5,000 is allowed for expenditure incurred during the year.

10) Rate of service tax is proposed to be increased 105 to 12%

11) Specific exemption provided for healthcare services.

12) Basic rate of central excise duty increased.

CHALLENGES BEFORE MEDICAL TOURISM INDUSTRY

The major constraint in the expansion of Medical Tourism in India:

- 1) Non-availability of adequate infrastructure including adequate air seat capacity
- 2) Accessibility to tourist destinations
- 3) Accommodation and trained manpower in sufficient number.
- 4) Poor visitor experience particularly, due to inadequate infrastructural facilities.
- 5) Poor hygienic conditions.
- 6) Lack of capital & Lack of Community participation and awareness.
- 7) Lack of involvement for rural sector.
- 8) Complex visa procedure.
- 9) Lack of good language translators.
- 10) Lacking behind in providing the hygienic medical facilities and room services
- 11) Removing political instability, terrorism Bureaucratic roadblocks, and Taxation anomalies.
- 12) Indian Government should launch long term revenue generating projects and investor friendly policies to get benefitted from medical tourism.
- 13) Shortage of skilled professionals.
- 14) Another reason is high service tax.
- 15) Insurance companies can play a vital role in promoting medical tourism

CONCLUSION

1. India is offering very low cost treatments. Patient from USA and UK, are coming to India to look for

alternative and cost-effective destinations to get their treatments done.

2. The Indian medical tourism industry is presently at a blossoming stage.
3. In just five years medical tourism in India has made a remarkable position in the world medical tourism map and is recognized as reputed health tourist destination all over the world.
4. India is a place which offers services of well-trained health practitioners, fluent English speaking medical staff, a good stuff of herbal, natural, allopathic, and alternative system of medicines.
5. In India a health tourist has to spend less on different surgeries in comparison to other developed countries.
6. The Indian Government can play a significant role in enhancing the benefits of medical tourism.
7. Tourist should be granted quicker visa or visa on arrival so that they can make hassle free travel and can contact the Immigration Department at any point of entry for quick clearance.
8. Acknowledging the importance of medical tourism, Government has granted several reductions, exemptions and tax incentives to the service providers.
9. There is also a need to develop supporting infrastructure such as transport, accommodation, and communication and information channels to facilitate medical tourism.
10. In this research study we tried to find out the positive economic benefits of medical tourism and to focus the role of government, ministry of tourism, pharmaceuticals industries, and private sector to build the image of India as high quality medical tourism destination.

SUGGESTION AND RECOMMENDATION

1. The health care centers can also dispatch membership card.
2. The promoters can encourage the tourists to recommend their health care centers.
3. Mouth to mouth information is effective and does not need any money.
4. The promoters should ensure that they cover all kinds of health insurance provided in different nations.

5. Encourage customers to take up health insurance, as this will simplify the transaction process.
6. The promoters should hold various campaigns in different nations and continents and offer better discount packages.

REFERENCES

- Annual Report of Ministry of Human Resource Development (MHRD), 2018, GOI, New Delhi.
- Chravarthi K, Ravi Kumar C, Deepthi K. SWOT analysis on: Medical Tourism paper presented in Conference on Medical Tourism in India Challenges Ahead, 15-17, May 2008, IIMK Ministry of Tourism, Government of India, 2010, Tourism statistics at a glance 2009, New Delhi, India.
- Connell, J. (2006): —Medical tourism: Sea, Sun, Sand and ... Surgery, *Tourism Management* , 27 (6), pp. 1093-1100
- Harrick , D.M., (2007): —Medical Tourism: Global Competition in Health Care , NCPA, Policy report No. 304, National Centre for Policy Analysis, Dallas Texas, pp.40
- Horowitz, M. & Rosenweig, J. (2007): —Medical Tourism-health care in the global Economy, *The Physician Executive* , pp. 24-30
- Kotler, P., Armstrong, G. (2008): — Principles of Marketing”, New Jersey: Pearson education, Inc.
- Peacock, L. (2009) : — Medical Tourism in India, *Smart Travel Asia* Accessed from [Http://www.smarttravelasia.com/medical Tourism.htm](http://www.smarttravelasia.com/medical%20Tourism.htm).
- Rath SP, Das B, Mishra S, Puthan P. New Avenue of Tourism & Revenue Generation in India – “Medical Tourism. *International Journal of Business and Management Tomorrow*, 2012 vol.2 No.1 PP- 1-14.
- Suthin, K., Assenov, I., and Tirasatayapitak, A. (2007). Medical Tourism: Can supply keep up with the demand. *Proceedings, APac-CHRIE & Asia Pacific Tourism Association Joint Conference 2007*, May 23-27 May, 2007, Beijing, China.