

Health Tourism in India Growth and Opportunities

*Ms Jaspreet Kaur**

*Mr. Hari Sundar. G***

*Deepti Vaidya****

Sheela Bhargava

Abstract

People from many advanced countries, including the United States and Europe, see a benefit in traveling to developing third world countries, like India, Thailand, Philippines, South Africa, etc. while combining medical treatments with inexpensive vacation. This trend is now known as medical tourism. **Medical tourism** has greatly developed overtime and it is likely to further expand more as people find it more and more advantageous. The article focuses at the emergence of the medical tourism as a booming industry and the key management aspects that will help India establish India as a Health Care Destination.

Origin and Evolution of Medical Tourism

Medical tourism is actually thousands of years old. In ancient Greece, pilgrims and patients came from all over the Mediterranean to the sanctuary of the healing god, Asklepios, at Epidaurus. In Roman Britain, patients took the waters at a shrine at Bath, a practice that continued for 2,000 years. From the 18th century wealthy Europeans travelled to spas from Germany to the Nile. Since the early nineteenth century, when there were no restrictions on travel in Europe, people visited neighboring countries in order to improve their health. At first, mere traveling was considered to be a good therapy for mental and physical well being. In the 21st century, relatively low-cost jet travel has taken the industry beyond the wealthy and desperate. Later, mostly wealthy people began traveling to tourist destinations like the Swiss lakes, the Alps and special tuberculosis sanatoriums, where professional and often specialized medical care was offered. In this century, however, medical tourism expanded to a much larger scale. Thailand, followed by India, Puerto-Rico, Argentina, Cuba and others quickly became the most popular destinations for medical tourists. Complicated surgeries and dental works, kidney dialysis, organ transplantation and sex changes, topped the list of the most popular procedures. It was estimated that in 2002, six hundred thousand medical tourists came to Bangkok and Phuket medical centers in Thailand, while approximately one hundred and fifty thousand foreign patients visited India during that time. From Neolithic and Bronze age wherein people used to visit neighboring countries for Minerals and Hot Springs, Today we have reached the era where Hospitals are more like Spas and Spas more like hospitals.

Projections for India (Potential)

World Tourism Indicators suggest that in 2002, number of International tourists reached the 700 million mark with arrivals to Asia and the Pacific 18.7%. Europe saw highest number of tourists. At that time, India did not figure in the top 10 international tourist destinations because India's share in Asia & Pacific region stands at a mere 1.8%

India is a recent entrant into medical tourism. As per research reports, approx. 150,000 medical tourists came to India in 2004 and according to a study by McKinsey and the Confederation of Indian Industry, medical tourism in India could become a \$1 billion business by 2012. The report predicts that: "By 2012, if medical tourism were to reach 25 per cent of revenues of private up-market players, up to 2,297,794,117 USD will be added to the revenues of these players". The Indian government predicts that India's \$17-billion-a-year health-care industry could grow 13 per cent in each of the next six years, boosted by medical tourism, which industry watchers say is growing at 30 per cent annually. This projection is largely based on the assumption that six

*Amity Business School, Noida. E-mail: jaspreetkb@rediffmail.com

**TKM Institute of Management. E-mail: sundarsmm@gmail.com

***Rai Business School, Delhi. E-mail: deeptiwadera@rediffmail.com

hundred thousand Baby Boomers from the United States, Europe and Australia will age and seek medical care by that time.

The Great Indian Advantage (U.S.P)

Quality and Range of Services

India has number of hospitals offering world class treatments in nearly every medical sector such as cardiology and cardiothoracic surgery, joint replacement, orthopaedic surgery, gastroenterology, ophthalmology, transplants and urology to name a few. The various specialties covered are Neurology, Neurosurgery, Oncology, Ophthalmology, Rheumatology, Endocrinology, ENT, Paediatrics, Paediatric Surgery, Paediatric Neurology, Urology, Nephrology, Dermatology, Dentistry, Plastic Surgery, Gynaecology, Pulmonology, Psychiatry, General Medicine & General Surgery. For its quality of services and the infrastructure available, India is attracting a vast pool of tourists from the middle east, Africa etc.

As Indian corporate hospitals like Apollo, Max HealthCare, Fortis etc. are on par with the best hospitals in Thailand, Malaysia and Singapore there is scope for improvement, and the country is becoming a preferred medical destination

Manpower

India has a Large pool of doctors (approx 600000), nurses & paramedics with required specialization and expertise and the language advantage (English speaking skills). The medical education system caters to the everincreasing demand for the delivery of the quality health care services all over the country.

The Price Advantage

For long promoted for its cultural and scenic beauty, India is now being put up on international map as a heaven for those seeking quality and affordable healthcare. With 50 million Americans without health insurance and the waiting lists for state-run facilities often endless in the UK, Canada and Europe, foreigners are increasingly flocking to India because it offers quality treatment at a fifth of the cost abroad.

In India, complicated surgical procedures are being done at 1/10th the cost as compare with the procedures in the developed countries. Not only this, the hospitals are well equipped to handle the data and information through computerized Hospital Information Systems. The hospitalization and the procedural price advantage also is supported by Lower Medication cost.If a liver transplant costs in the range of 137,867 USD - 160,845 USD in Europe and double that in the US, a few Indian hospitals have the wherewithal to do it in around 34,466 USD - 45,955 USD. Similarly, if a heart surgery in the US costs about Rs 45,955 USD, a leading Indian hospital will do it in roughly 4,595 USD.

Price Comparison of India and U.S. And U.K.

Treatment	Approximate Cost in India (\$) *	Cost in other Major Healthcare Destination (\$) *	Approximate Waiting Periods in USA / UK (in months)
Open heart Surgery	4,500	> 18,000	9 - 11
Cranio-facial Surgery and skull base	4,300	> 13,000	6 - 8
Neuro-surgery with Hypothermia	6,500	> 21,000	12 - 14
Complex spine surgery with implants	4,300	> 13,000	9 - 11
Simple Spine surgery	2,100	> 6,500	9 - 11
Simple Brain Tumor			
-Biopsy	1,000	> 4,300	6 - 8
-Surgery	4,300	> 10,000	
Parkinsons			
-Lesion	2,100	> 6,500	9 - 11
-DBS	17,000	> 26,000	

Tourism Attraction

India has a 5000 year old civilization and is known for its cultural and religious diversity with Diverse geographical landmarks. The traditional arts and crafts add to its appeal as a tourists favourite. Along with this Indians enjoy freedom, vibrant democracy and women empowerment.

Alternative Therapy

India offers not just treatment but spiritual and mental healing as well. India needs to club together a couple of 'pathies' because it has a very strong base of alternative healing therapies like yoga, naturopathy, ayurveda Kerala's health retreats,etc.

No Waiting

In addition to the increasingly top class medical care, a big draw for foreign patients is also the very minimal or hardly any waitlist as is common in European or American hospitals. hospitals now are starting to attract foreign patients from industrialized countries, and especially from Britain, U.S.A, Canada, where patients are becoming fed up with long waits for elective surgery under overstretched government health plans.

Industrial Analysis

The Industry can be broadly classified into:

1. The Alternative Therapy Service which is available exclusively to India namely

- Yoga
- Naturopathy
- Ayurveda
- Yunani Medicine
- Kerala Health Retreats
- Meditation

2.The Corporate Health care Services provided by competent private hospitals like Apollo and Fortis

States Promoting Health Tourism

The Indian Ministry of Tourism has announced a number of incentives to give a fillip to the sector. It has identified 31 villages across the country to be developed as tourism hubs. The states in which these villages have been identified include Himachal Pradesh, Gujarat, Maharashtra, Bihar, Karnataka, Madhya Pradesh, Andhra Pradesh, Kerala, Tamil Nadu, Orissa, Assam, Sikkim, Rajasthan and West Bengal

WEST BENGAL:Kolkata, Aug 29: West Bengal, from where a large number of patients go to the southern states for specialised healthcare, is itself likely to become the hub of health hub of tourism in India soon.Three large super speciality hospitals with world-class facilities would come up in the state. West Bengal has produced many reputed doctors who are working in differents parts of the world and they have been invited to work at these hospitals.

KERALA - THE PIONEER state 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 with each other. However, though Kerala has strongly focussed on Ayurveda and its wide array of treatments and medications, good facilities are also available in the other traditional forms of medicine as well as in modern medical treatment.The bias towards health tourism in Kerala is so strong that Kerala Ayurveda Centres have been established at multiple locations in various metro cities, thus highlighting the advantages of Ayurveda in health management. The health tourism focus has seen Kerala participate in various trade shows and expos wherein the advantages of this traditional form of

medicine are showcased. Kerala, India has one of the best qualified professionals in each and every field, Allopathy, Dental, Ayurveda etc and this fact has now been realized the world over. Regarding Medical facilities Kerala has the most competent doctors and world class medical facilities. With most competitive charges for treatment, Kerala is a very lucrative destination for people wanting to undergo treatment of certain medical problems who do not need immediate emergency treatment.

GUJARAT : Much of the NRI population, that is of Gujarati origin can take advantage of the medical facilities in Gujarat. Some of the major hospital groups such as Apollo already have a presence in Gujarat & others are looking for strategic cooperation include:

- Sell side lead 1: Is a leading institute, specializing in heart & orthodontics.
- Sell side lead 2: Is a leading dental institute , including cosmetic surgery.
- Sell side lead 3: Is a leading ophthalmology center specializing in cataract surgery.
- Sell side lead 4: Is a leading multispeciality hospital.

Strategic View Point: Gujarat based healthcare providers are open to strategic alliances with hospitals, insurance & travel/ tour operators abroad that may refer patients from their countries of origin. . It is felt that many of the Gujarat based operators would have to align with national or international operators, possibly through a strategic stake to take full advantage of the medical tourism possibility.

KARNATAKA: Karnataka and especially Bangalore is now an acknowledged global medical destination. This is because of referral quality health services supported by qualified and experienced medical professionals, reputed medical research institutions, well connected for travel, conducive climate and cost of treatment being just one tenth that of global hospitals. Between 2005 end and 2006 August, the state has also witnessed a funding of 445 crore from leading corporate hospitals as a part of the brownfield and green field projects. These include a Rs. 200 crore from the Manipal Health Systems, Rs. 140 crore from Wockhardt Group of Hospitals, Rs. 100 crore from One World Hospital and Healing Centre promoted by Maureen Berlin and Rs. 5 crore by HealthCare Global Enterprises Limited (HCG), a leader in oncology care in the private sector in India.

MAHARASHTRA: Maharashtra has a thriving tourism industry, and is now set to have a new kind of tourism -Medical Tourism. The FICCI - Medical Tourism Council of Maharashtra - is a dynamic initiative jointly undertaken by the Government of Maharashtra, the Federation of Indian Chambers of Commerce and Industry, the tourism industry and private as well as public health tourism providers.

FICCI - Medical Tourism Council of Maharashtra **has been founded with a clear mission in mind:**

- To offer the world's best healthcare facilities coupled with the best heritage and tourist destinations.

To show the world how to deliver "Value for Money" healthcare, with a human touch.

- To project Maharashtra as a synergising destination for both medical academia as well as international medical conferences.
- To regulate and monitor the medical tourism sector and assist patients from abroad.

Maharashtra has all the necessary ingredients required to make medical tourism a success.

- A range of hospitals covering the entire spectrum of medical treatment.
- Over 70,000 highly qualified doctors, of whom 20,000 are specialists.
- 100,000 committed nurses and paramedical staff known for their care and compassion.
- Latest technology and equipment that supports a large number of medical investigations and treatments.
- Tourist spots that are supported by medical facilities, making them the ideal places for rest and recuperation.

Corporate Health Care Service Providers

Medical tourism is predicted to double in the next few years as health services in India are a fraction of what they cost in the West. Apollo hospital gets 10-11 foreign patients every month. Five to seven per cent of Escorts' patients are from abroad. Though most of the traffic is from West Asia, south-east Asia and Africa, Indian corporate hospitals are networking with international health insurance companies so that these hospitals are recognised and Non Resident Indians can combine their treatment in India with family visits or tour to the country.

Apollo Hospitals Group

Located at Delhi, Chennai, Hyderabad & Madurai

The Apollo Hospitals Group is today recognized as the "Architect of Healthcare" in India. Its history of accomplishments, with its unique ability of resource management and able deployment of technology and knowledge to the service of mankind, justifies its recognition in India and abroad. Their mission is "to bring healthcare of international standards within the reach of every individual. We are committed to the achievement and maintenance of excellence in education, research and healthcare for the benefit of humanity". Apollo's capabilities have received international acclaim resulting in the replication of its Indian models at international locations. Apollo group is also in talks with private healthcare groups and government authorities in Nigeria, South Africa, Tanzania, Mauritius, Yemen, Muscat, Bahrain, Vietnam, Malaysia, Thailand and other neighboring countries to establish its presence.

Escorts Heart Institute & Research Centre

Located at Delhi and Faridabad

Escorts is steadily consolidating its presence in healthcare, which is likely to emerge as the largest service sector industry. Currently, Escorts is operating three large hospitals in New Delhi, Faridabad and Amritsar. Together with 11 heart command centres and associate hospitals, Escorts is managing nearly 900 beds. Escorts excellence in providing healthcare services has received due recognition. Escorts Heart Institute and Research Centre (EHIRC), New Delhi, has been ranked as the best cardiac hospital in India by an Outlook-Cfore survey and has been given the highest grade by CRISIL - an acknowledgement of the quality of delivered patient care.

EHIRC is a leader in the fields of cardiac surgery, interventional cardiology and cardiac diagnostics. The Institute has introduced innovative techniques of minimally invasive and robotic surgery. The Institute's latest addition of state-of-the-art Cardiac Scan Centre providing a combined power of CV-MRI and Smart Score CT Scanner to diagnose coronary artery disease at its very early stage. This facility is the first of its kind outside America. State-of-the-art infrastructure and equipment has made this set-up technically the largest and the best dedicated cardiac hospital in the world. The 332-bed Institute has nine operating rooms and carries out nearly 15,000 procedures every year.

Dr. Vivek Saggar's Dental Care & Cure Centre

Located at Ludhiana

Dental Care and Cure Centre is, centrally located in Ludhiana, easily approachable from any part of Punjab by rail or road. It takes not more than two hours from any part of Punjab to reach this place. There is a 6 chair operatory with an in house dental lab, the Dental Caps, Crowns and Beyond Dental Lab, which has been designed on the European standards. The office has been designed to provide an environment of comfort that combines exceptional skill levels, a respectful approach to treatment, Clinical and technical excellence with an individualized care approach by providing the most advanced, optimal dental care to the best of our ability. There is a full service cosmetic and general dental office specializing in creating beautiful smiles. The in house facility of Dental Caps, Crowns and Beyond ... Dental Lab gives them the unmatched time advantage plus international quality control. For NRI's and foreigners they provide special care in the form of appointments at a short notice and the work is completed within the span of 3-5 days keeping in mind your tight schedule.

NM Excellence

Located at Mumbai

NM Excellence was formed from one man's vision to provide a healthier future for the citizens of Mumbai. Established in 2001 by M.D. Radiologist Dr. Nilesh Shah, this modern and sophisticated preventive health checkup centre aims to revolutionize the way healthcare is perceived and practiced in India. Backed by over two decades of diagnostic experience under the banner of NM Medical, NM Excellence employs the latest, top-of-the-line imaging modalities, operated by qualified and professional doctors, with a friendly and efficient staff to make a client's experience as memorable as possible. Having viewed the vast range of diseases that can be prevented if detected early enough through its diagnostic experience, NM Excellence philosophizes that a preventive health checkup in today's day and age is an absolute must. NM Excellence is one of Mumbai's foremost preventive healthcare centres boasting of top-of-the-line diagnostic equipment, highly qualified doctors, a well-trained service staff, and a professional yet warm environment that makes one feel at home immediately.

PD Hinduja National Hospital & Medical Research Centre

Located at Mumbai

An ultramodern hospital on the busiest artery in Central Mumbai, PD Hinduja National Hospital & Medical Research Centre was established by the Hinduja Foundation in collaboration with Massachusetts General Hospital (MGH), Boston. The fulfillment of Founder Parmanand Deepchand Hinduja's dream, the 351-bed hospital offers comprehensive services covering the gamut from diagnosis and investigation to therapy, surgery and post-operative care. As a tertiary care hospital, the services offered are comprehensive covering investigation & diagnosis to therapy, surgery & post-operative care. The inpatient services are complemented with a day centre, out-patient facilities and an exclusive center for health check for executives. Hinduja Hospital was the first multi disciplinary tertiary care hospital to have been awarded the prestigious ISO 9002 Certification from KEMA of Netherlands for Quality Management System

LV Prasad Eye Institute

Located at Hyderabad

Set up as a not-for-profit trust, LVPEI has now come a long way in its journey towards realizing these goals. However, our changing world continues to throw up new challenges and new threats to health, and LVPEI too continues to search for ways in which these challenges can be overcome, in the field of eye health. In partnership with international health organizations such as the World Health Organisation and the International Agency for the Prevention of Blindness, LVPEI designs and implements innovative eye health programmes that reach people in the most remote rural areas. While the range of our research and training activities is international, our focus is on bringing this quality of care to the poorest segments of India and the developing world. Our successes include the establishment of rural eye health centers that provide high-quality eye care at the lowest possible cost, or at no cost to those to whom such care would otherwise be inaccessible. In fact it is this same model that operates successfully in our nodal center in Hyderabad, Andhra Pradesh. At the L V Prasad Eye Hospital, nearly 50 percent of our patients are treated free of cost.

Challenges to the Industry

India is emerging as an attractive, affordable destination for healthcare BUT there are some challenges that the country has to overcome to become a tourist destination with competent health care industry :

A. Infrastructural facilities

- Roads
- Sanitation
- Power Backups
- Rest/ Guest Houses

- Public Utility Services

B. The Foreign Customer Concerns and Expectations:

The biggest challenge that the Indian hospitals face is assuring the foreign patients that they will receive quality care with no hidden costs.

The industry experts need to develop the decision making models through a thorough study on the factors that motivate the patients to choose India as a health care solution spot.

The basic expectations that the industry feels are important to be concerned about are:

- Hygiene
- Staff (trained technically as well as in soft skills)
- Customization
- Insurance Cover
- Stability
- Connectivity
- International standard certification

C. The Image of India needs to be enhanced(Standardization)

The only one quality that Indian health industry lacks in is Health standards and hygiene. Indian hospitals lack accreditation from the Joint Commission on Accreditation of Healthcare Organisations (JCAHO), suffer from a lack of standards in terms of quality and rates for healthcare procedures, have no gradation system and a far from perfect insurance sector. In addition, top Indian hospitals have high infection and mortality rates, and are unwilling to disclose data regarding these. Even if we were having the best of quality standards as has Indraprastha Apollo Hospital we will still be perceived as inferior in standards .This can be avoided by getting Quality standards .Apollo group of hospitals which has become the first hospital in India to get a JCI certification, the gold standard for US and European Hospitals.The same has to come to more hospitals of India.

D. Market accessibility

The next challenge for the Indian industry is to make the Indian market accessible by tourist travel agents and websites of Indian health tourism.The government can play a vital part as the same can bring in lots of foreign revenue.

The major ways of promoting our health tourism could be:

- Tourist companies of India
- Doctors of India visiting foreign countries
- International websites on Indian tourism
- Globalisation of marketing activities by Indian travel agents
- Tying up with foreign travel agents for promotion
- Insurance companies abroad who target customers

E. Excess Glamourisation of Health Care

It has been seen that the doctors and key player hospitals in India emphasis more on glamorization of health care than its actual advantages or research uniqueness.

We need to work more on our research in medical field to be competent enough to beat our international competitor. In other words SERVICES should be given more attention and importance than PACKAGING.

F. State Intervention

As this is a product which needs international tie-ups and international marketing, the state should help in the same.It should help the companies , hospitals and states in promoting health tourism abroad so that we can tap a wider range of customers.

G. Infrastructure

Indian hospitals must create exclusive infrastructure for corporate medical tourism
Chartered flight services, attractive tourism packages could be part of infrastructure
There's growing pressure on U.S. corporates to reduce expenditure on healthcare

H. Competition (Neighbouring countries)

Countries that actively promote medical tourism include Cuba, Costa Rica, Hungary, India, Israel, Jordan, Lithuania, Malaysia and Thailand. Belgium, Poland and Singapore are now entering the field. South Africa specializes in medical safaris-visit the country for a safari, with a stopover for plastic surgery, a nose job and a chance to see lions and elephants. Thus India has enough competition from the international market .This will be one of our major threats in bringing up and developing the health tourism industry.

I. Insurance Backup

One good way of tapping the foreign customers is tying up with Insurance companies abroad who could provide a genuine database of target customers.

They can benefit from us by our services. Thus this would become a way of mutual marketing tactics between the Indian health tourism industry and the foreign Insurance agencies.

J. Local Demand vs Global Demand

It can be seen in case of hospitals like Apollo and Escorts that the Local demand itself to be catered to is vast. We should remember that we should have the facilities enough to manage the foreign customers not neglecting the local markets. Thus it is a challenge for both the Alternate therapy industry and Corporate Health Care Service Providers to cater to this vast market efficiently without compromises in quality on either side.

References

Grawhill publishers

Services Marketing –Indian perspective by Ravi shankar, Excel publishers

Services Marketing-Integrating customers across the world by Zeithaml, Bitner, Tata Mc

Services Marketing-People ,Technology,Stratgy by Lovelock, Wirtz, Pearson Publications

Travel & Tourism –Challenges & Opportunities, Suresh, ICFAI press