Medical Tourism: Gaining Momentum

“Touching it’s peak over the past few decades, medical tourism is a direct result of globalization of healthcare. There is a genuine and boosting opportunity for Asian and Middle Eastern countries, which are catering to the healthcare requirements of developed countries like the U.S., Canada, the UK and other European countries where the costs are 75-90% higher.”

Dr. Prem Jagyasi, Chief Strategic Officer, Medical Tourism Association, U.S.
Medical Tourism: Gaining Momentum

- Low-cost destinations with world-class medical capabilities and quality medical care

- Medical tourism expanded beyond cosmetic surgeries - hip replacements, sophisticated CV surgeries, dental procedures, and infertility treatments

- Countries are seeking to stimulate economic growth, attract foreign currency, and create employment opportunities

- Leading medical tourism countries: Hungary, Mexico, Costa Rica, Brazil, Malaysia, India, Thailand, Singapore
Medical Tourism: Gaining Momentum

- 85,000 Americans travel abroad for care annually; expected to grow 20-30% annually
- 2012 market size estimated to reach $100B
- 40% of medical tourism patients seek advanced technology
- 32% of medical tourism patients seek better quality care
- 12% of medical tourism patients seek lower costs
- Patients seek treatments/services unavailable to them - stem cell TX, abortions, sex changes surgeries, IVF
Medical Tourism: Gaining Momentum

• Medical tourists seek to avoid long waiting periods for care/treatment
• Medical tourists desire attractive vacation destinations
• 39% of study participants would travel abroad for care if quality was comparable and they could save 50%
## Comparative Prices: Medical Procedures

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<th>Procedure</th>
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KPMG International, May 2011, Volume Seven
Deloitte, Medical Tourism Consumers in Search of Value, 2008
Medical Tourism: India

- Compound Annual Growth Rate (2011-2013)-26%; $3B business; 1.3M medical tourists
- Positive Attributes: Indian MD’s foreign-trained - strong; JCI or National Accreditation Board for Hospitals (NABH) accredited
- Medical tourism government supported (tourists exempted from re-entry requirements- 2month gap)
- Cost of care - the lowest of three countries
- Health care spending: GDP 2.5%

KPMG International Issues Monitor, May 2011, Volume Seven
Guragon, Delhi, India
Medanta: Overview

- Private hospital located outside of New Delhi-founded by Dr. Naresh Trehan; spread across 43 acres
- Research center, medical and nursing schools
- Constructed 3 years ago (15 stories); 650 staffed beds; 150 ICU will grow to 300; 45 OR’s; 100% occupancy
- Medanta Duke Research Institute established 2011
- Seeking JCI accreditation
Medanta: Clinical Services/Technology

- Eight organized care institutes: Heart, Neuro, Ortho, Kidney/Uro, Cancer, Digestive/Hepatobiliary, MIV, Transplant and Regenerative Medicine

- Liver transplants - 25/month (LRD); CABG’s-15/day; total knee world record 21 in a 12-hour period

- Advanced clinical technology: 286-slice CT; 3.0 Tesla, MRI, intra-operative imaging, hybrid OR’s

- No EHR; PAC system present

- Infection control major focus

- CDC guidelines followed; IR less 1%
Medanta: Health Care Providers

- Physician-centric
- MD’s employed - $50K/year out of school; nurses $20K/year
- MD’s and nurses work 6-day work week
- ICU staffing: MD 1:8 pts; nurses 1:1
- Every patient seen by MD 3x/day
- M/S nurse staffing: 1:3/1:4
Medanta: Medical Tourism

- Leading program in India: specific division/dedicated staff
- Arranges all air and ground transportation (key), hotel accommodations, heavy focus on family and excursions
- Patients come predominantly from Africa, Gulf Countries, Soviet States, Denmark, and Canada (neuro-groups)
- Minimal U.S. and Central Europe patients
- 40% insured, 40% cash pay, 10% charity
Medanta: Medical Tourism

- Medical Tourists: ADC 100/day
- Marketing: Word of mouth, brochures, internet, exchange programs, physicians, CME’s
Medanta: Unique Experiences/Observations

- Technology and specialty service dominance
- Dr. Trehan office/consultation - “rock star” status
- Desire to collaborate with U.S. for health care services: health care as an import/export service
- Epidemiology program huge: 5 full-time MD’s and 10 nurses
- Nurse education priority
Scleroderma
(Systemic Sclerosis)

Does any one you know have any of these?

Tightness of skin over the face.

Finger become pale or change color to cold exposure.

Difficult to make fist due to tight skin over finger.

Develop Ulcers over finger tips or legs.

Developed blackening of
Medical Tourism: Thailand

- 2009: 1.5M foreign patients received care

- Thailand ranks first in Asia in medical tourist numbers and fifth in brand awareness/image

- 2014: Anticipated medical tourism revenue $12.2B

- Website launched by Tourism Authority of Thailand: www.thailandmedtourism.com

KPMG International Issues Monitor, May 2011, Volume Seven
Bangkok, Thailand
Bumrungrad International: Overview

- For-profit hospital which is a public company traded on Thailand Stock Exchange (1989) located in Bangkok
- Largest private hospital (538 beds) in SE Asia and the world’s largest private sector outpatient clinic (22 stories/570K sq ft)
- JCI (2002) accredited and ISO-certified
- Annual revenues: approximately $260M
- Enumerable tourism awards: website, business, Asia Wall street; featured on 60 Minutes
- American led international leadership team
- Health care spending: 3.3% GDP
Bumrungrad International: Clinical Services/Technology

- 80 clinical specialties and subspecialties
- All major clinical service lines
- Large VitalLife Wellness Center
- Technology consistent with most tertiary care medical centers: EHR, PACs, 64 slice CT, PET/CT, Rad TX
- 16 OR’s/2 cath labs
Bumrungrad International: Health Care Providers

- Physician centric

- 1200 MD’s (mostly Thai): 300 full-time/contracted; part-time MD’s work as professors and/or at government hospitals; $100K/yr; no malpractice

- More than 900 nurses; $16K/yr; nurses are often from the “Up Country;” shortage and education significant challenge

- Large concierge staff; 3,400 total employees
Bumrungrad International: Medical Tourism

• “Mecca” “grandfather” of medical tourism: 30 years

• Exceedingly sophisticated and robust international program based on the “4 C’s”: communication, convenience, comfort, and coordination

• 150 interpreters, embassy assistance, airport concierge, e-mail contact center, insurance coordination, visa counter, onsite travel agency

• 3M travelers since 1998

• 600K Thai patients annually; 400K non-Thai
Bumrungrad International: Medical Tourism

- Patients: large expat population in Thailand, Vietnam, Cambodia, Myanmar, North America (25K/yr), Europe and East Asia (25K/yr), Gulf Countries (100K/yr)
- New population: Africa and Australia
- Sophisticated on-line cost estimator for procedures
- 75% of patients are self-pay; travel/international plans, and charity care is provided through a foundation
Bumrungrad International: Medical Tourism

- Hospitality residence - 74 apartments; hospitality suites-51

- Marketing: international representative offices in 15 countries, internet, reputation, international conferences
Bumrungrad International: Unique Experiences/Observations

- Service and experience leaders
- Concierge services
- Ambience/facilities-hotel like
- The “Bumrungrad Experience”
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Medical Tourism: Singapore

- Between 2006-2008 medical tourists increased more than 16%; 2012 estimated 1M medical tourists
- Singapore government actively building marketing campaign and recruiting top doctor and scientist talent
- Pharma and biomedical research establishing presence and promoting medical tourism
- More than 15 hospitals focused on medical tourism
- Health care spending: 3.5% GDP; 4-5% GDP optimal
Singapore
NUHS: Overview

- Public teaching hospital under the auspices of the Ministry of Health; founded in 1985
- Major teaching and research center with schools of medicine, dentistry, and nursing
- Organized via traditional academic programs/services/departments
- 1,024 beds; 26 OR’s; 8 delivery rooms
- 70% of patients are state subsidized
- New hospital opening 2013
NUHS: Clinical Services/Technology

- Two national specialist centers (cardiac and oncology); 6 divisions
- Five medical clusters; 27 divisions and departments
- Eight specialist clinical departments
- 33 outpatient clinics
- Advanced technology and procedures; e.g. hybrid ORs
- Stage VI EMR adoption; national EMR
- Research/clinical trial/outcome/metric-focused
NUHS: Health Care Providers

- Less physician centric; promote role of nurses and have certified advanced practice nurse roles in four domains
- 1,012 physicians ($200-$300K/yr); surgeons ($400-$600K) and 2,817 nurses ($40K/yr)
- Salaries set by Ministry of Health; MD shortage #1 problem; private sector make double; overseas recruitment a challenge
- MD own and run all retail pharmacy
- No FP/internal MD’s in hospital
NUHS: Medical Tourism

- Medical tourists/private pay volumes capped at 12% of total beds; socially and politically unattractive

- Medical tourists: Indonesia, Malaysia, UAE, Myanmar, Viet Nam; South Korea, Soviet countries; target a six-hour “fly zone”

- Ministry prevents marketing and logo display

- Medical tourists targeted via MD relationships and CME and referral fees

- Concierge services not present
NUHS: Unique Experiences/Observations

- Birth rates exceedingly low; Singapore dependent on immigration - only 1 of 5 foreigners pay taxes
- Auto cost -$130K for a Honda Accord
- Ministry of Health regulates health care delivery
- Singaporeans can choose to be private patients; six levels of bed accommodation
- Unique approach to public/private care delivery
- Health care costs are publically displayed
- Cost/continuum of care focus
National University Hospital

has attained the status of Stage 6 as designated by the HIMSS Analytics EMR Adoption Model.

Attaining a Stage 6 designation indicates that this hospital has achieved a high degree of clinical automation that is incorporated into the patient care services it delivers. This hospital is able to provide the highest levels of patient safety and quality outcomes for the care it provides to its patients.

Awarded June, 2011 by HIMSS Analytics Asia
Concluding Thoughts

- Medical tourism continues to be a priority for many countries - both providers and their governments.
- Medical tourism increasingly is regionally focused.
- US medical tourism may decrease as U.S. dominance of advanced specialty care and technology lessens.
- The continued globalization of health care may create new cost-effective care delivery options for consumers and governments.
- US international programs may learn “concierge advances” from other countries.
- Cost transparency, national EMR, and amenity differentiation have many attractive attributes.
Thank You!

India

Singapore

Thailand