

A study on Health Tourism in India

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Abstract

Health Tourism industry is witnessing a rapid growth worldwide. Health Tourism is a blend of two actions – Medical treatment and recreation. People from around the globe make a trip to India in order to meet their medical and recreational requirements. Medical tourism is defined as ‘the process of traveling outside the country of residence for the purpose of receiving medical care’. The health tourism has a significant role in the economic growth of India. Health tourism sector has immense possibilities for growth, as there is a rising demand from around the globe driven by various factors. If well tapped, health tourism can play a vital role in the economic growth of India. Health and medical sector presently are presently responsible for 8 percent job in the country. If properly planned and funded, this sector can create much more employment opportunities Today India is capable of competing with developed countries regarding infrastructure, technology and expertise. Health tourism in India enhances better infrastructure in health care sector, much more opportunities in medical researches, rise in foreign exchange earnings and creation of jobs. This paper examines the key elements such as the push and pull factors and analyses the trends and patterns of health tourism in India. Also the paper examines health tourism industry in the present economic scenario of India and makes an evaluation using SWOT analysis.

Key words: Health tourism, economic growth, tourist, health care, medical facilities, SWOT, GDP, health tourism industry.

Introduction

Health Tourism industry is witnessing a rapid growth worldwide. It is a blend of two actions – Medical treatment and recreation. People from around the globe travel across the international borders into another country in search of medical treatment and relaxation. There has been a boom in Health Tourism industry in India during past two decades. People from around the globe make a trip to India in order to meet their medical and recreational requirements. The most sought after treatment by international medical tourists in India are cardiac surgery, dental care, knee-replacement and cosmetic surgery. India has been a favorite destination for a large number of medical tourists as a result of the well-established top-class hospitals equipped with proficient doctors, medical staff and sophisticated equipment's.

Medical tourism is defined as ‘the process of traveling outside the country of residence for the purpose of receiving medical care’. Less waiting time, less treatment cost and good quality encourages people to travel from one country to another for the purpose of medical treatment. Under the health tourism, patients receive treatment only in hospitals.

In the year 2015, the Indian Medical tourism industry was worth \$3 billion and India held the third position among the most popular medical tourism destination and about 234,000 foreign nationals visited India on medical visas. As per the government records, the number more than doubled in the year 2017, which stood

at about 495,000. Indian medical tourism industry is expected to hit \$9 billion which shows a 300% growth in just 5 years. In an effort to support the expansion of the industry, the government is working towards facilitating easy entry into the country for medical purposes.

Objective of the study

1. The study concerns primarily to analyze the trend and pattern of Health Tourism in India.
2. It aims to examine the key elements of health tourism in India.
3. The study inspects the significance and relevance of health tourism.
4. The study identifies the push and pull factors of health tourism.
5. Finally, the paper examines health tourism industry and additional aiding services and makes an evaluation of health tourism using SWOT analysis.

Research Methodology

The present study is based on secondary data obtained from various books, research journals, newspaper, articles, government reports and websites.

Literature Review

India has secured a remarkable position in the world tourism map. Health care sector, in reference to earnings and job opportunities, has turned out to be one of India's top most industries. What account for health care sector are? the hospitals, medical equipment, medical devices, telehealth, outsourcing, health tourism and medical insurance. The reason behind the rapid growth of the health care industry in India can be attributed to expanding coverage, extended services, rising investment by both public and private parties. The two major segments in Indian health care sector are classified into two such as public sector and private sector. The public health care sector, managed by the government consists of providing minimum health care through hospitals in cities and towns and primary health centers in villages, whereas the private sector is the major providers of primary, secondary and tertiary health care through their establishments mainly in metros and cities.

India's dominance in health care sector can be attributed to the huge number of skilled doctors and other medical experts. India also provides health services at a very competitive cost when compared to its counterparts in Asia and Western nations.

In 2003, the Finance Minister Jashwant Singh introduced governments plan to combine health care expenditure and tourism, in his budgets speech and appealed to strive towards India becoming global health care destination. He pin pointed the need to utilize the potential of advanced technologies to offer cheaper health care facilities. Now a day even government run hospitals are motivated to play their part in medical tourism. The prominent player in medical tourism in Asia are India, Thailand, Singapore who handle 90% of

medical tourists. It is not just that medical tourism increases employment opportunities and the GDP of a country but it brings about betterment in the infrastructure, health care policies public medical facilities.

Baxi (2004) and Pankaj Mochi (2013), are of the opinion that the role played by India in Medical Tourism is on the rise. The worldwide health care industry is worth 3 Trillion US dollars a year. India gets its prominent place in the industry due to the reputation of the doctors who are excellent at discharging their duties, top class medical facilities and well accepted medical staff around the world especially the Indian nurses who are known for their motherly care.

Mohanty and Madhav (2006), have observed that Indian medical industry started to establish itself as a major medical tourism destination when compared with the other nations around the world is primarily because it is adapting the advanced knowledge and technology in the medical treatment field. India is quite successful in upgrading to each and every advancement in the field of medicine and giving a humanitarian approach as far as proficiency and cost are concerned.

Philip Augustine (2007), expresses the view that health care outsourcing is a remarkable development worldwide. More and more people who seek medical care from advanced nations are depending on developing countries with right facilities and skilled medical staff for low-cost secure solution to their health problems.

Joseph M. Cherukara and Dr. James Manalel (2008), observes that India as a tourism destination is capable of attracting more than a million tourists and as a result, bring in five billion US dollars in to Indian economy. CCI opines that India must realize its potential particularly its cost effectiveness. India's holds a distinctive position in medical tourism obtained by comprehensive traditional ways of treatment like Ayurveda, Yoga, Meditation and other systems of health and it can provide very exclusive health care services that no other country can offer.

S.S. Rose Mary (2014), emphasizes the through her SWOT analysis that the shooting up in medical tourism in India brings about improvements in infrastructure in medical sector, progress in researches in medical science, growth in foreign exchange earnings rise in job opportunities and spreading of urbanization. She also calls for appropriate policy set up in order to cut down the negative consequences of medical tourism.

Kumar G.S and Raj R. K (2015), spotlighted the numerous issues confronted by medical tourism sector in India. In their opinion, some of the issues faced by the medical tourism industry are insufficient post treatment care, medical insurance coverage issues, absence of a set standards in the industry, brain – drain, inconsistent electricity supply, discriminations in private and government hospitals and hiking fees and prices for treatment for domestic people.

Trends of Health Tourism

Table: 1

Number of Foreign Tourist Arrived in India for Medical Tourism: 2007 - 2017

Year	No. of Medical Tourists	Percentage Increase
2007	243397	-
2008	-	-
2009	112689	-
2010	155944	38.38
2011	138803	-10.99
2012	171021	23.21
2013	236898	38.51
2014	184298	-22.20
2015	233918	26.92
2016	427014	82.54
2017	495056	15.93

Source: News, Bulletin of the World Health Organization /March2007,85(3)Extracted from India Tourism Statistics 2009, 2010, 2011, 2012 and 2013, Ministry of Tourism, Government of India (2014a) Ian Youngman (2009), "A RECENT REPORT ON THE INDUSTRY MAKES SOME SERIOUS ERRORS, International Medical Travel Journal The Indian Express, retrieved from <https://www.newindianexpress.com/states/kerala/2018/jan/20/medical-Hindu>, Retrieved from <https://www.thehindu.com/news/national/medical-tourists-flocking-to-India/article24497896.ece>

Fig: 1

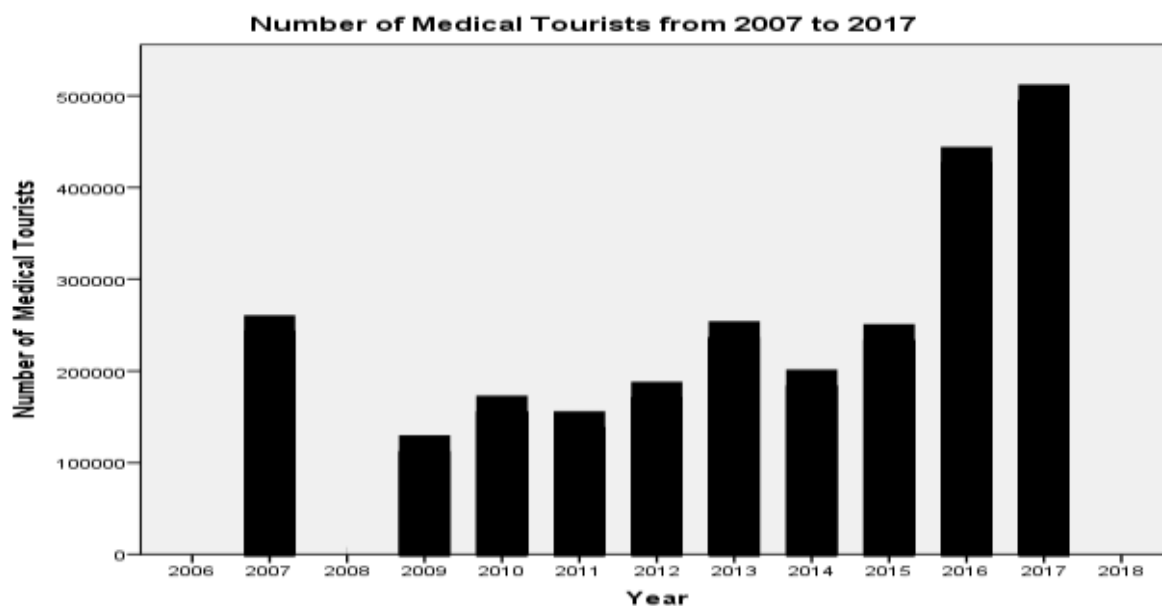
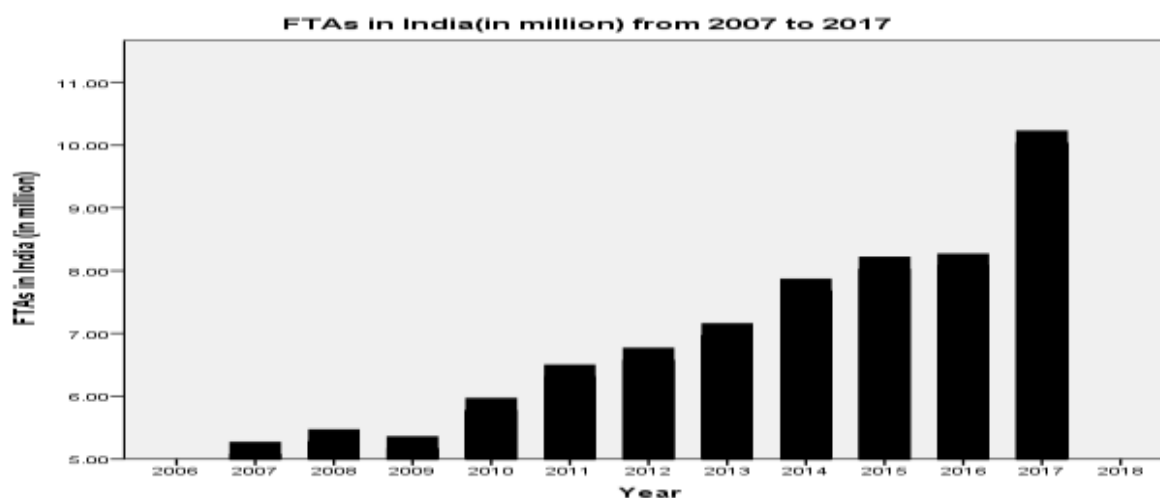


Table: 2**Foreign Tourist Arrivals (FTAs) in India, 2007-2017**

Year	FTAs in India (in million)	Percentage (%)
2007	5.08	-
2008	5.28	4
2009	5.17	-2.2
2010	5.78	11.8
2011	6.31	9.2
2012	6.58	4.3
2013	6.97	5.9
2014	7.68	10.2
2015	8.03	4.5
2016	8.08	0.7
2017	10.04	24.3
		AAG = 7.27

Source: (i) Bureau of Immigration, Govt. of India, for -2017, (ii) Ministry of Tourism, Govt. of India, for 2017

Foreign tourist arrival to India in 2017 was about 10.04 against 8.08 in the year 2016, which shows an increase of 24.3%. As a result of the Global recession in 2008, the tourist flow to India dropped by 2.2.

Fig:2**Key Elements of Health Tourism in India**

Medical tourism is a flourishing industry in India. There are a number of factors that attract such a large number of medical tourist to India. First of all, it is the extremely high health care cost in developed countries. Second is, the prolonged waiting time for particular treatments, especially surgery. Third reason is,

international standards of hospitals in India with latest technology and equipment's. Fourth is, the availability of various types of specialized treatments under one roof, where patients don't have to move from one hospitals to another for treatments. Fifth is relaxed government policies, which has made it easy for foreign nationals to seek medical treatment in India. Sixth is the traditional practices like Ayurveda and Yoga.

A growing number of people in need of medical care are travelling across the borders, looking for treatment for various types of chronic diseases. This has been a result of globalization. The number of patients searching for low-cost medical care will be on the rise as the medical assistance provided by the government or the company that employs an individual lessen.

Market Size

There has been a tremendous growth, about 22 to 25 percent in medical tourism and this sector is estimated to be \$ 9 billion by 2020. As health care spending percentage of GDP is increasing, there is a remarkable opportunity for further expansion of health care services. The government spend about 1.2 percentage of GDP in the financial year 2014 and it increased to 1.4 percent in 2018 for the health sector and as per the plan, the Government of India is aiming to spend 2.5 parentage of GDP on health sector by the year 2025.

Investment

As per the data issued by the Department of Industrial Policy and Promotion(DIPP), Foreign Direct Investment(FDI) worth \$ 6.9 billion was invested in hospitals, diagnostic centers and health centers between April 2000 to March 2019. In the first half of 2018, 23 business agreement worth \$ 679 was signed. A Memorandum of Understanding (MoU) to expand collaboration in the fields of health and medicine was signed by Cuba and India as announced by the Ministry of health and Family welfare.

Government Initiatives

Government of India has taken some major initiatives to aid the health care industry. Government of India set up Pradhan Mantri Jan Arogya Yojana (PMJY) on 23rd September 2018, in order to facilitate health insurance to more than 100 million families every year which is worth Rs 500,000. Ayushman Bhart- National Health Protection Mission, a central government sponsored health scheme was approved by the Government of India in August 2018. The Central government and the State governments contribute at a ratio of 60:40 for all states and Union Territories. 90:10 for Mountainous North Eastern States and 100 percent contribution by the Central government for union territories without legislature. Mission Indradhanush which aims at providing immunization was launched by the government of India, with target of covering 90 percent of the partially vaccinated and unvaccinated children in India by December 2018.

Significance and Relevance of Health Tourism in India

From the time immemorial, India has secured a renowned position in health care, through its traditional Ayurveda system of medicine. Millions of people from around the globe have benefited from the knowhow of the medical practitioners in India. Today Health tourism is a rapidly growing sector in Tourism industry around the world and India has a prominent position as an attractive destination. Indian health tourism sector contributes considerably huge earnings to the Indian economy and limitless employment opportunities to the people.

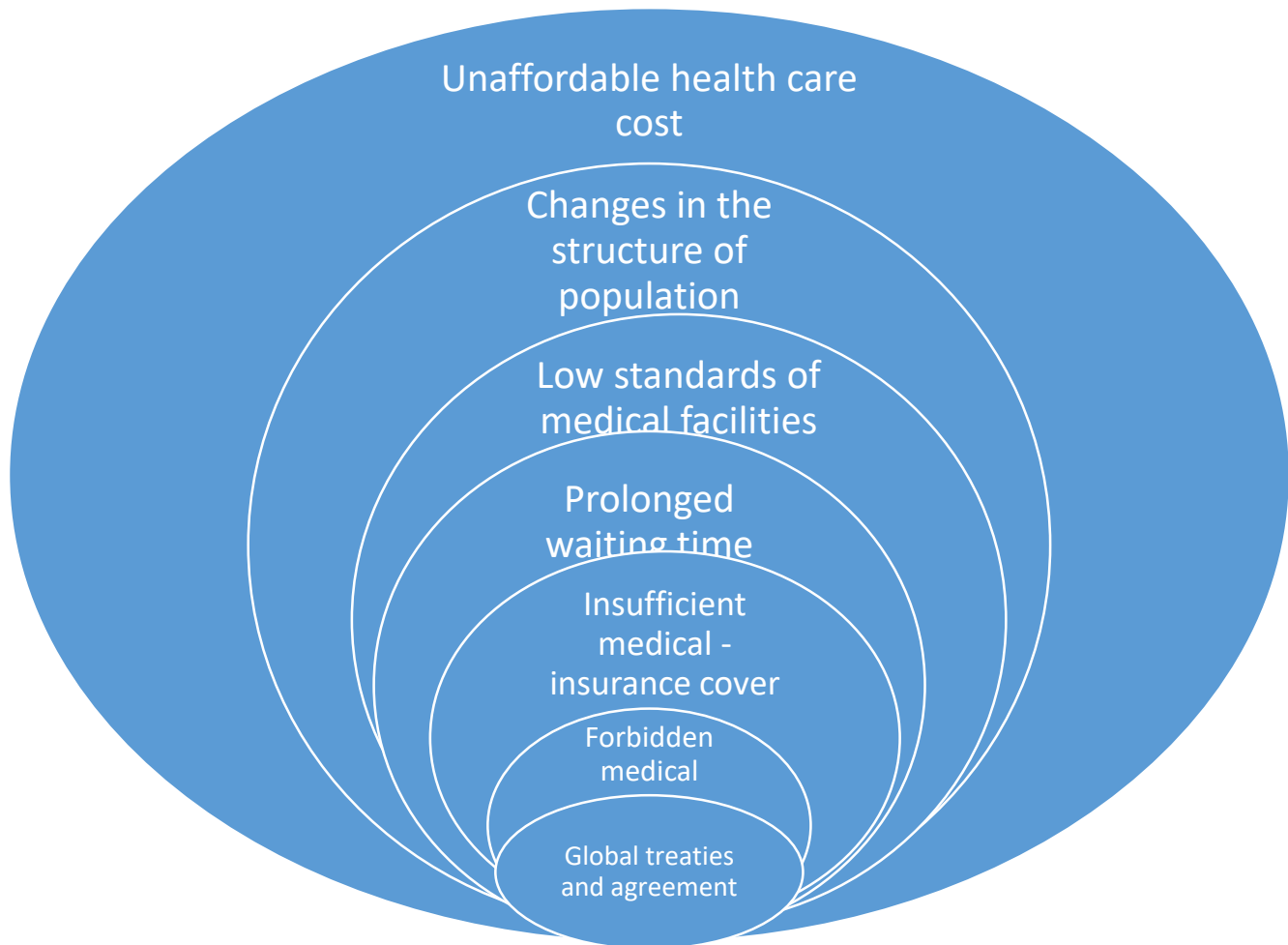
India is an exceptionally diverse country, most likely the most diverse country in the world. With its manifold geographical features, historical buildings, natural beauty and varied culture, India has been a popular tourist destination across the globe. Huge number of people from around the world travel across to India looking for solutions for their health problems. A number of specific factors have contributed to India to be a popular health tourism destination. An exceptional blend of modern facilities, proficient doctors and medical staff, and economical medical treatment have promoted India to flourish as a popular health care destination. The world famous Ayurveda system and Yoga have been attracting millions of health tourists to India, especially to the southern states of Kerala and Karnataka.

India has been making significant monetary gain from health tourism industry and it is estimated to be worth \$9 billion by 2020 and India to held 20% of global market share. India's health tourism sector which directly offers employment to about 8% of all jobs also is beneficial for many other related industries like hotel industry, medical devices and equipment industry and drugs and medicine industry.

PULL FACTORS BY THE DESTINATION COUNTRY INDIA



PUSH FACTORS FROM THE HOME COUNTRY



Advantages of Health Tourism in India

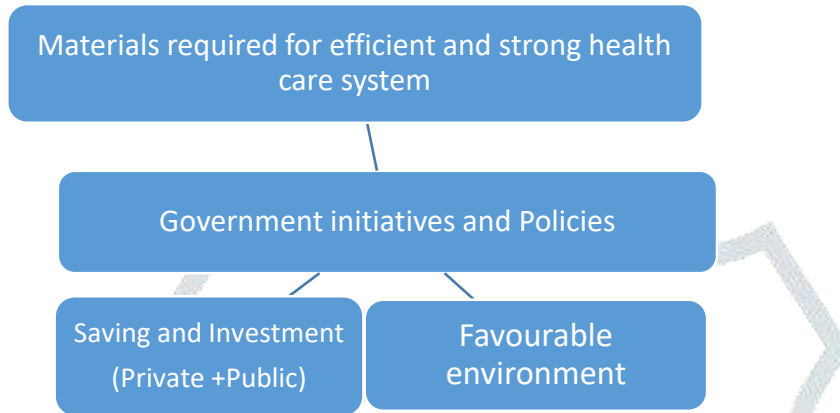


Health Tourism and GDP Growth in India

A vigorous health- care network boosts GDP growth if sufficiently funded and favorable circumstances are created. It not only enhances employment and productivity but also leads to foreign exchange earnings and comes up with a scope for revolutionary changes and business opportunities.

Although remarkable steps have been taken by the government in order to enhance availability of better health care, the health care industry has been witnessing the arrival and establishment of entrepreneurs, both domestic and overseas, as a result of the increasing demands of the public. Today there is a better opportunity to access advanced health care services not only in cities but also in far of towns owing to latest delivery models.

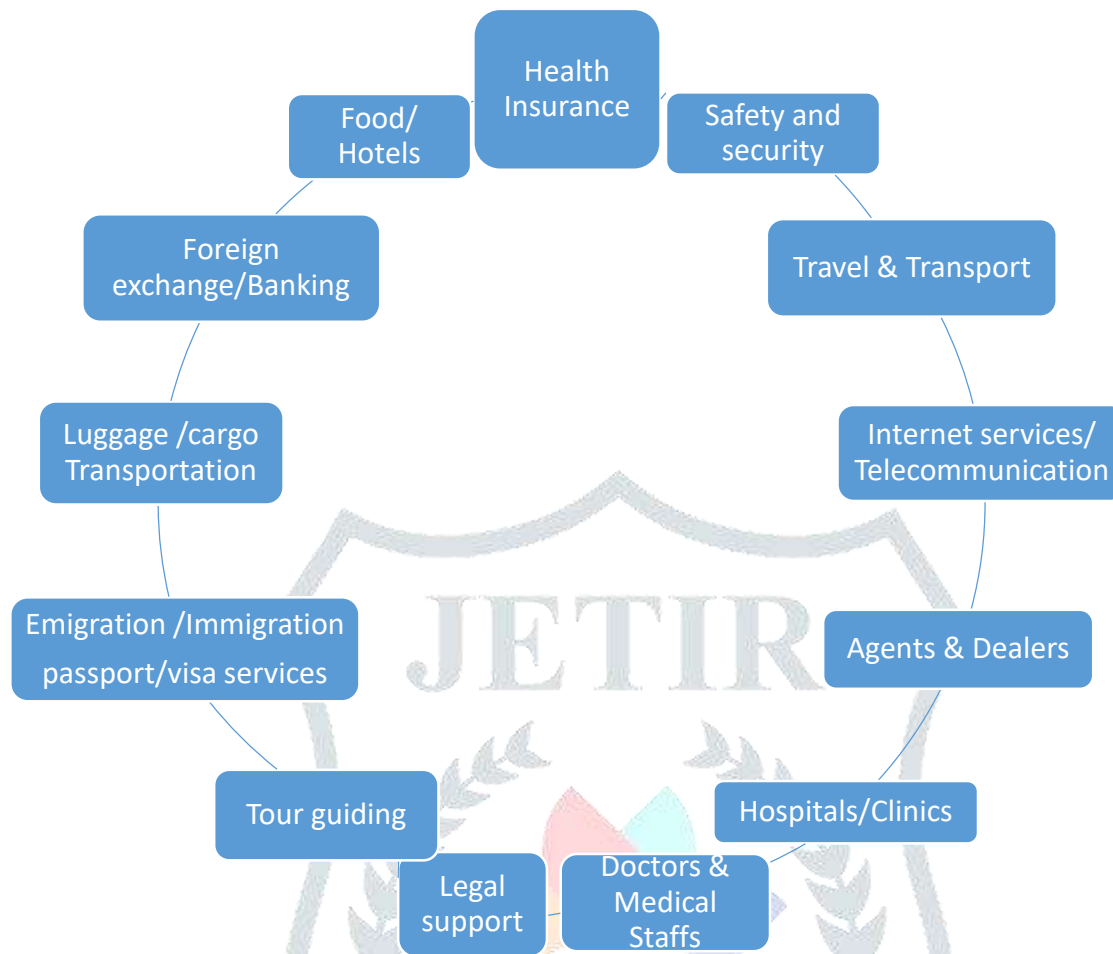
GDP Growth driven by Healthcare Industry



A well-established Health Care will augment GDP growth



The Health Tourism Industry: Additional Aiding Services



SWOT Analysis on Indian Health Tourism

Strength	Weakness
<ul style="list-style-type: none"> ▪ Advanced medical service at competitive cost. ▪ Availability of proficient doctors and medical staff in large number. ▪ Advanced treatment facilities and most – modern equipment. ▪ Immediate admission and treatment. ▪ Numerous international and domestic Airport and good air connectivity. ▪ Availability of alternative health care (Ayurveda, Yoga). ▪ Large number of world class hospitals and health centers. ▪ Huge number of diverse tourist destinations. 	<ul style="list-style-type: none"> ▪ Lack of strong co-ordination between the major players in the medical tourism industry. ▪ Poor support and initiatives from the government. ▪ Poor hygienic conditions of cities and towns and poor conditions of roads(infrastructure). ▪ Absence of uniformity in pricing throughout India. ▪ Small number of hospitals with international accreditation. ▪ Unavailability of translators for non-English speaking medical tourists.

Opportunities	Threats
<ul style="list-style-type: none"> ▪ Ever increasing demand from around the globe. ▪ Better air connectivity and easy access to medical visa. ▪ High cost for medical care and treatment in developed countries. ▪ Long waiting time for major treatments in developed nations. ▪ Decreasing cost for air travel. ▪ Improved advertisement and easy access to information about hospitals and treatment facilities through internet. ▪ International reputation of Indian doctors and nurses. 	<ul style="list-style-type: none"> ▪ Very strong competition from other countries offering health tourism (Malaysia, Thailand, Singapore). ▪ Substantial initiatives by government in other countries to promote health tourism. ▪ Easy visa processing to many health tourism destination countries. ▪ Low number of international accredited hospitals. ▪ Lack of well-established information facilities and international advertisement. ▪ Growing air pollution and environmental pollution in major cities in India. ▪ Fake or forged medicine and drugs. ▪ Unauthorized health care services and quack medical practioners.

Findings and Suggestions

Health tourism sector has immense possibilities for growth, as there is a rising demand from around the globe driven by various factors. If well tapped, health tourism can play a vital role in the economic growth of India. Health and medical sector presently are presently responsible for 8 percent job in the country. If properly planned and funded, this sector can create much more employment opportunities.

India with comparatively lower health care cost for numerous major medical treatments like open heart surgery, liver transplant, bone-marrow transplant, knee- surgery and eye treatment and with very popular alternative health care systems like Ayurveda and yoga, India has great opportunity in health tourism. Today India is capable of competing with developed countries regarding infrastructure, technology and expertise. Health tourism in India enhances better infrastructure in health care sector, much more opportunities in medical researches, rise in foreign exchange earnings and creation of jobs.

To fully utilize the golden opportunities hidden in medical tourism, the government should come forward with whole- hearted support, initiatives and investment in health tourism sector. A conscious effort needed from everyone to improve the poor hygienic conditions that prevail throughout the country. There is a need for a strong coordination between the various stake holders related to health tourism. The hospitals and health care providers need to cooperates with each other and agree upon a uniform pricing for their services.

Conclusion

India is one of the most popular health tourism destinations. Health tourism industry is rapidly growing in the recent years. People from around the world, especially from Europe and middle East, choose India as their favorite health tourism destination. What attract them to India is mainly the lower cost of medical treatments and the diversity of tourist destinations. World – class hospitals with highly skilled doctors and medical staff, well equipped with most modern technology are other attractive features to the health tourism from around the globe. The part played by the health tourism sector in the economic growth of our country is very significant. The government and private parties in this field should make a whole hearted effort to fully make use of this opportunities for the economy.

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