MEDICAL TOURISM: DRIVERS, TRENDS AND DESTINATIONS

Habib Kabalan[1]
The Bucharest University of Economic Studies, Bucharest, Romania

Amine Ghoumrassi[2]
The Bucharest University of Economic Studies, Bucharest, Romania

Gabriela Stănciulescu[3]
The Bucharest University of Economic Studies, Bucharest, Romania

Abstract

Medical tourism is a highly growing trend globally, with an average of 6 million people traveling yearly to other countries with the sole purpose to get medical care. This number does not take into account people who travel within their own country from one region to another for the same purpose. The global market was worth USD10.5 billion in 2012 and is expected to grow to reach an estimated value higher than 100 billion USD in 2019.

This paper will base itself on a statistical and numerical data that is published by the leading authorities in the field of tourism as well as data and research from various high profile associations and organizations that specialize in the domain of tourism.

The gathered data will be analyzed and an assessment of the leading countries in the field of medical tourism will be drawn, these countries will be evaluated in order to determine the main trends and influences that govern the behavior of tourists on the look for better medical services abroad.

At the end of the analysis, it is expected to demonstrate that the main factors that overlook the medical tourism practice are the search for a high-quality medical service at a reasonable price. It is also expected to demonstrate that in addition to the cost/quality ratio, patients are on the look for ease of access as well as speed of medical treatment.

The elements that will be established in this paper as the main factors behind medical tourism could be the basis of further study and lead to the development and amelioration of the touristic potential of countries especially those with low touristic attractions.

Keywords:
Tourism, medical services, best practices, health Insurance, patient Care.

JEL Classification: L83, Z32, I19.

DOI:

Introduction

Over the past twenty years, the tourism industry has been in a constant growth, aside from a small setback in the year 2008 due to the economic crisis that hit the major part of the world. The annual revenues directly linked to tourism increased from around 500 billion USD in the mid-1990s to more than 1.4 trillion USD since 2014 according to the World Tourism Organization (WTO). The top 5 countries based on revenues from tourism, also according to the WTO, are the United States in the first place, followed by China in the second position, the United Kingdom in third, Spain in fourth and France in the fifth position. On the other hand, if we are to consider the growth in the number of inbound tourists, the numbers went from 500 million tourists in the mid-1990s to more than 1.2 billion inbound tourists in the last few years in addition to an estimated 6 billion domestic tourists traveling within the boundaries of their own countries. This list is headed by France, followed by the United States then Spain, China, and Italy with the United Kingdom coming in the 8th place. Holidays, recreation and leisure are the main reasons for international tourism accounting for 53% of total inbound tourists in 2015, travels for various

[1] habib.kabalan@gmail.com
[2] ghoumrassi.amine@hotmail.fr
[3] cecilia.stanciulescu@gmail.com

reasons such as family visits, religious tourism, health tourism etc. came second with around 27% and business travel comes third with around 14%.

With the ease of movement across the European continent, as well as the increase in availability of low-cost flights and global information access people can now benefit from a larger field of search when it comes to health services. The reasons to seek medical services abroad vary largely from low-quality domestic health, unavailability of certain practices and procedures, long waiting lists, high cost or even legal obstacles to certain procedures. In addition to being a personal quest, medical tourism has become a growing industry for businesses that specialize in offering such services whether specialized travel agencies or insurance companies amongst other, thus participating in the additional growth of this practice.

1. Literature Review

The main focus of this article will be on the medical aspect of tourism. Medical tourism does not have a clear-cut definition as countries apply different concepts when assessing medical tourists: "Some countries count foreign patients' visits to hospitals whereas others count the entry of individual patients into the country. Other countries record nationality but not the place of residence of patients, which can be problematic when migrants return to their home country for treatment" (WHO, 2011). According to the WHO, medical tourists are the international patients who travel to a certain country with the purpose of obtaining medical care; this number, therefore, does not include tourists that are admitted to hospitals due to emergencies or expatriates that are seeking medical care in the country they reside in. The remaining international patients are referred to as medical travelers.

One of the main drivers behind the boom in medical tourism is without contestation globalization. Due to globalization, access to information became an easy and rapid process that most people can accomplish through the use of the internet. In addition to that ease of access, comes along the ease of mobility between countries. If we consider the diplomatic ties between countries, the agreements, trade deals and unions that were formed, crossing borders became much easier and less of a hassle than it used to be. In addition to the effects of globalization, it is important to point out the role of the advancement in technology, especially biotechnology and treatment procedures. Medical procedures are now easier, faster and safer; physicians are nowadays assisted by highly accurate and effective machines, robots can perform delicate surgeries, and advanced equipment can provide a specific result for highly complex tests in a matter of minutes. Another aspect of improvement in the medical field is the trend of privatization of services. A large number of medical practices, whether hospitals, medical centers, policlinics etc. are privately owned and are provided with appropriate funds in an effort to make them more competitive and ensure an edge over the other player within the field. Figure 1, presents a simplified diagram that represents the various influences and drivers that lead the medical tourism practice nowadays.

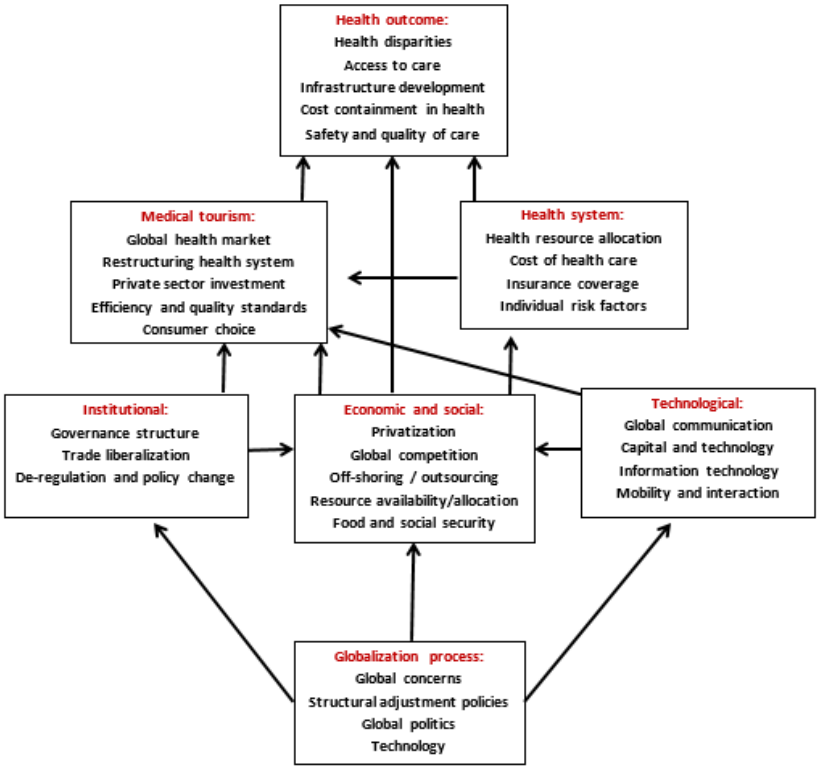

Figure no. 1: Conceptual Framework of Globalization and Medical Tourism

Source: World Health Organization - Patient Safety Program 2013, "Medical Tourism"

In addition to the personal effort provided by the patient in an attempt to get access to better cheaper medical services, there are increasing numbers of facilitators. These facilitators are the equivalent of touristic agencies for medical travelers. They offer patients help to bypass the labor consuming steps of finding the proper medical facility, prepare all requirements for the travel arrangements and understand the necessities needed for the entire period of their stay.

In short, what they do is "play a key role in advertising the availability of medical tourism, providing prospective patients with information and overseeing follow-up care." (Snyder et al., 2011).

According to Connell (2013), the emerging trend is for travelers from developed countries to reach for emerging countries for medical treatments as opposed to the previous ruling trend which was patients from emerging countries traveling to developed countries for high-quality treatment. The reasons are numerous and span from lower costs and higher quality to shorter waiting lists. Therefore, the flow of medical travelers includes nowadays high as well as middle-class patients going to emerging countries for medical care some for the high-end service and other for the cost/quality ratio (Chen and Flood 2013; Connell 2011; Ormond 2011).

Getting to an exact number is extremely difficult when it comes to identifying the mass of the medical tourism industry due to the high number of variables and the differences in the definition of the practice between countries. According to "Patients Beyond Borders", the global revenues from medical tourism in 2016 were between 45.5 and 72 billion USD with around 14 million tourists. According to Medical Tourism Index, another study conducted by Visa in partnership with Oxford Economics, entitled "Mapping the future of global travel and tourism" the medical tourism marker reached 100 billion USD in 2016 with around 11 million tourists. This same report places Canada and the United Kingdom at the top of the list for medical tourism destinations, but also includes some emerging countries in the top 10 such as Singapore in 4th place, India in 5th, South Korea in 8th and Colombia in 10th, overtaking Spain and Japan. Taking into account that the list of contains countries on that are on the developed side of the scale and thus fit in the regular profile of advanced medical practices, this paper will focus on the emerging countries hitting spots in the top 5 of this list.

2. Research Methodology

This article will base itself on the statistical and numerical data that is published by the leading authorities in the field of tourism as well as data and research from various high profile associations and organizations that specialize in the domain of tourism. The gathered data will be analyzed and an assessment of the leading countries in the field of medical tourism will be drawn, these countries will be evaluated in order to determine the main trends and influences that govern the behavior of tourists on the look for better medical services abroad.

At the end of the analysis, it is expected to demonstrate that the main factors that overlook the medical tourism practice are the search for a high-quality medical service at a reasonable price. It is also expected to demonstrate that in addition to the cost/quality ratio, patients are on the look for ease of access as well as speed of medical treatment. The elements that will be established in this article as the main drivers behind the success of developing countries in the field of medical tourism could be the basis of further study and lead to the development and amelioration of the touristic potential of countries especially those with low touristic attractions.

3. Current Trends in Medical Tourism. Case studies

According to the WHO (2013), the main reasons for patients to seek medical care outside of their country of origin are divided as per figure 2.

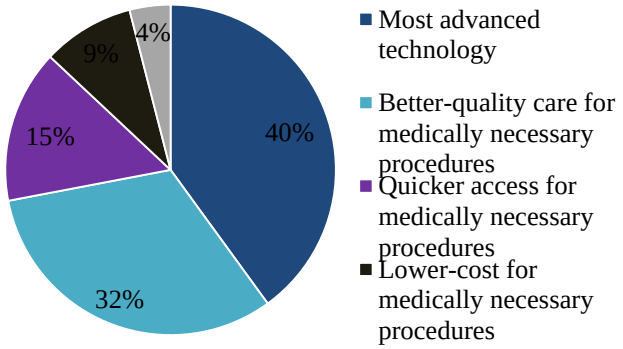

Figure no. 2: Main Drivers Behind Medical Tourism
Source: World Health Organization - Patient Safety Program 2013, "Medical Tourism"

As it is clearly shown, the main driver for seeking medical care abroad is the advanced technologies. The search for the newest and best procedures and practices that employ the most recent optimization and innovation in the medical field is the major cause that leads people to seek medical institutions abroad. Taking the example of Singapore, ranking 4th on the list of best medical tourism destinations and 1st amongst developing countries, we can identify the main reasons that put it at the head of the technologically advanced medical fields. Singapore has 19 hospitals and medical centers and medical organizations with Joint Commission International (JCI) accreditation. (JCI accreditation is considered as one of the most valuable accreditations for a medical institution as it is a very rigorous and thorough inspection that provides a complete evaluation of the effectiveness of the patient safety and quality system). In addition to this, Singapore's medical system has been awarded a number of citations throughout the years (Best health system by Bloomberg in 2014, Second Best health-care outcomes by The Economist Intelligence Unit (EIU) in 2014 among others). India, on the other hand, has 36 JCI accreditations. Moreover, a large number of Indians opt to study medicine abroad, with a preference for Australia, Canada, New Zealand, the United Kingdom and the United States of America as it allows them to practice medicine in India without having to sit for the Foreign Medical Graduate Examination (FMGE) conducted by the National Board of Examination (NBE).

According to Health-Tourism.com, (an information source about medical tourism that provides patients with information concerning the reputable medical centers around the world.), the number of procedures that are most sought in India and Singapore by non-local patients is as follows:

- In Singapore:
  - Orthopedic Surgery (hip and knee replacements, etc.)
  - Cardiac Surgeries (heart bypass, valve replacements, etc.)
  - Cancer and Oncology
  - Neurology and Neurosurgery
  - Cosmetic Surgery
  - Dental Services (surgeries, dental implants, etc.)
  - Bariatric Surgeries
  - Eye / Ophthalmology (LASIK, Cataract surgeries, etc.)
  - Pediatrics
  - Non-surgical Rejuvenation (botox, microdermabrasion, etc.)
- In India:
  - Orthopedic Surgery (hip replacement, knee replacement, etc.)
  - Cardiology and Cardiothoracic surgery
  - Cosmetic/Plastic Surgery: Face, Breast, Body Contouring
  - Dental Services (surgeries, teeth whitening, dental implants, etc.)
  - Bariatric/Obesity Surgeries
  - Cancer and Oncology
  - Eye / Ophthalmology (LASIK, Cataract Surgeries, Vitreo Retinal Surgery, etc.)
  - Neurosurgery
  - General Surgery
  - Bone Marrow Transplant
  - Nephrology and Kidney Transplant

The last performance ranking issued by the WHO in 2000, placed Singapore at the 6th position, however, Singapore was ranked 2nd on the global healthcare systems performance by The Legatum Institute, a London-based research institute (2016). This rank further reinforced the Economist Intelligence Unit (EIU) for healthcare outcomes report findings (2014). According to the WHO country-specific report, Singapore's population life expectancy surpasses the WHO region average both at birth and at 50 years old. In addition, the healthy life expectancy is also significantly higher than the regional average (as per table 1 below).

Table no. 1: Life Expectancy in Years

		Singapore		WHO region
Life Expectancy	At Birth	83		76
	At age 60	25		21
Healthy life expectancy	At Birth	76		68

Source: Country statistics and global health estimates by WHO and UN partners 2015

Based on the reporting of the Confederation of Indian Industries (CII) – Grant Thornton paper, Afghanistan and Bangladesh compose 34% of the overall foreign patients in the Indian healthcare system, followed by Africa, GCC and CIS regions with 30%. (Grant Thornton, 2015).

The cities that attract the majority of these inbound patients are Chennai and Mumbai, with Chennai having the lion's share in the overall Indian medical tourism industry. Multiple sources estimate the city's share to be around 40% of the total country's admittance. Chennai is estimated to accommodate 12,500 hospital beds with more than 50% being occupied by non-local patients.

The reasons that make these two countries so attractive for foreign patients can be separated into two main categories, the first one being the cost of healthcare and the other the quality of the service provided. It is very clear that opting for healthcare in these two countries is much less costly and provides a big incentive for patients with lower income and no healthcare insurance in the developed and advanced countries to travel to these locations to get the treatment that otherwise might be unattainable in their home countries. Table 2 presents a comparison between the cost of a number of the most common procedures between the United States and Singapore and India.

Table no. 2: Cost of various medical procedures in the U.S., Singapore, and India

Medical procedure	USA	India	Saving	Singapore	Saving
Heart Bypass	$123,000	$7,900	94%	$17,200	86%
Angioplasty	$28,200	$5,700	80%	$13,400	52%
Heart Valve Replacement	$170,000	$9,500	94%	$16,900	90%
Hip Replacement	$40,364	$7,200	82%	$13,900	66%
Hip Resurfacing	$28,000	$9,700	65%	$16,350	42%
Knee Replacement	$35,000	$6,600	81%	$16,000	54%
Spinal Fusion	$110,000	$10,300	91%	$12,800	88%
Dental Implant	$2,500	$900	64%	$2,700	-8%
Lap Band	$14,000	$7,300	48%	$9,200	34%
Gastric Sleeve	$16,500	$6,000	64%	$11,500	30%
Gastric Bypass	$25,000	$7,000	72%	$13,700	45%
Hysterectomy	$15,400	$3,200	79%	$10,400	32%
Breast Implants	$6,400	$3,000	53%	$8,400	-31%
Rhinoplasty	$6,500	$2,400	63%	$2,200	66%
Face Lift	$11,000	$3,500	68%	$440	96%
Liposuction	$5,500	$2,800	49%	$2,900	47%
Tummy Tuck	$8,000	$3,500	56%	$4,650	42%
Lasik (both eyes)	$4,000	$1,000	75%	$3,800	5%
Cornea (per eye)	$17,500	$2,800	84%	$9,000	49%
Cataract surgery (per eye)	$3,500	$1,500	57%	$3,250	7%
IVF Treatment	$12,400	$2,500	80%	$14,900	-20%

Source: medicaltourism.com 2016 price comparison

It is noticeable that out of the 21 common procedures mentioned in Table 2, in India almost all cost at least half as much as in the United States with heart condition related procedures costing a mere 6% of the United States price tag. In Singapore, with the exception of dental and breast implants (both considered as esthetic procedures) and IVF treatments, all treatments are cheaper than in the United States with heart disease related conditions also

scoring above 80% in cost saving. Adding the travel cost such as plane tickets (starting at around $600 for a return ticket) and any additional financing needed for accompanying non-patients that is valued at an average of $110 per day (considering that the usual stay at a hospital after most procedures ranges from a few hours to one week) the price that will be paid by a medical tourist is still much smaller compared to the cost of the procedure alone in the United States. The reason the prices are noticeably lower in these countries in comparison to the United States and other developed countries is closely linked to the other category of reasons that push people to opt for out of country healthcare treatment rather than home, namely the quality of the service provided.

In the following segment, the quality measures that are applied in both India and Singapore will be reviewed to present a comprehensive overview of the systems that these countries have adopted in order to achieve a high-quality ratio as well as low cost for healthcare procedures.

3.1. Case study A: Singapore

According to the Singapore Ministry of Health, Singapore has approximately 13,000 registered physicians (not including dentist that average around 2,200) averaging 2.3 doctors per 1000 population and more than 31,000 registered nurses. The majority of these professionals are concentrated in the public sector. These doctors are well paid and considered as part of the 30 most paid jobs in Singapore with specialized surgeons ranking in the top 3 according to their field of specialization. The laws of the country were also established in a way to prevent false claims of malpractice by delegating the resolution of such claims by the courts of justice, thus requiring legal representation for the plaintiffs as well as the physicians and relying heavily on the expert testimonies of other doctors. It is considered the responsibility of the patient to prove that malpractice indeed took place as well as the presence of intent to harm. This has allowed the physicians to pursue the best course of treatment rather than opting for the defensive or safe treatment method like in other countries where malpractice claims are more common (a study conducted by Diederich healthcare found that in 2015 a total amount of $3,954,339,750 was paid in the United States as part of Medical Malpractices Payouts).

In order to achieve such a high number of publicly employed healthcare professionals, the government of Singapore has been highly involved in the shaping, monitoring and controlling of the healthcare industry. To start with, the government has limited the available places for medical students and thus of graduating doctors as well as limiting the number of recognized foreign medical school to a specific list, in addition, the total number of beds available is also controlled. This practice is put in place in order to control and prevent the excessive, undue and unnecessary usage to healthcare services by having the appropriate number of doctors and beds and reducing the need for practitioners and institutions to market and promote medical services to people to attract healthy individuals into un-needed medical procedures or perform additional unrequired procedures on available patients for profit.

Moreover, public hospital wards are assigned by the government from high-end services to regular as A, B1, B2+, B2 and C (the higher the level the more options and benefits are offered such as being able to choose a specific physician, to having a single room etc…). The government provides subsidies for the hospitals in order to cover the treatment of patients and ensure the generation of revenue for the hospitals upon the delivery of services. The concept that the official institutions applied is that the higher the level of the ward the lower the coverage by the public funds, meaning that a patient in C ward will benefit from an 80% public coverage and thus having to provide 20% of their treatment fees (through their insurance most usually or cash in other cases) while a patient who opts for a bed in wards A will receive no public subsidies and will have to provide 100% of the treatment cost. In addition to the segmentation of the ward classes, the government also has a set policy for the number of beds in each ward to ensure that no hospital prioritizes the more profitable and more expensive A wards while neglecting the lower classes. Therefore the government ensured the availability of beds for patients across the social and economic scale and decreased the possibility and probability of hospitals taking advantages of higher paying places over lower classes.

The purchase of equipment and materials is also a part of the budget that the government allocated the public hospitals with the need for a direct approval from the ministry of health for any equipment or material purchase that is considered advanced and expensive thus maintaining control over the spending of the hospitals as well preventing the purchase of unnecessary equipment that will later subject the patient to additional unrequired procedures to justify the need for that piece of equipment.

Upon the end of the financial cycle to which a certain budget was allocated any unspent subsidies are directed towards research and teaching activities in order to advance and benefit the healthcare domain in Singapore.

The government also established a health insurance system that is funded by both the employer and the employee with predetermined percentages. Contrary to other insurances, this medical coverage acts not like a policy but rather like a fund for the insured and the amounts are deposited as liquidity that will be used in case of healthcare

treatment. Not only does every person have a medical insurance but each is obliged to abide by a low and a high limit to the amount that has to be available in the insurance fund of each. This means that the insured has a ceiling to the insurance fund that cannot be overcome as well as a lower limit that he or she is not allowed to draw below and has to remain in the account. The drawing from the funds is subject to a daily limit based on the various costs to which the patient is subjected to during his admission to ensure that no excess amount is wasted. The government has also put into place a policy that allows family members to share their funds with each other thus allowing family members to support each other in the healthcare coverage and ensuring that no person is left out of the system due to lack of funds or severe and costly illness. In addition to the mandatory medical insurance that each person has, they are also included in a chronic illness medical insurance (from which they have the possibility to opt out) that covers chronic illnesses treatments over the lifespan of the patient that start as low as $33 and increases with the age of the insured. The advantage of this insurance is that it can be funded from the regular medical insurance fund rather than providing a separate funding that will affect the income of the insured. This chronic illness insurance is also subject to a yearly and a lifetime claim ceiling and is only applicable for wards of the C and B2 levels. These ceilings and levels restrictions are put in place to prevent overuse and overcharging of the insurance and the unnecessary expenses that might arise if such restrictions are not imposed. In addition to all of the above, since 2007 the government regularly provides top-ups and public funding to certain citizen's medical insurance funds based of their needs or income levels (usually performed on an annual basis).

Another tool that has helped the patients to be informed and aware is the public disclosure of the cost of the most common procedures and administrative fees in public hospitals. In addition to providing the public with all the relevant information concerning government-funded hospitals, regular satisfaction surveys are sent out to assess the public opinion with the services provided at these hospitals. According to the official analysis of the 2010 "Patient Satisfaction Survey" 75% of the people reported being satisfied with the services of public hospitals and 80% declared that they would recommend these hospitals to others. To ensure that these levels are maintained and even increased, the country has enrolled in a number of international bodies that specialize in the establishment and monitoring of healthcare standards such as the "Maryland Quality Indicator Project" and the "HealthCare Quality Improvement and Innovation Fund".

Having implemented all of these laws, regulations, and requirements for public hospitals as well as providing high incentives for citizens to use the public healthcare providers, the government was able to achieve high levels of quality, service, and usage of the public facilities. This, in turn, caused the private sector to try and follow into the footsteps of the public system and achieve the same levels of quality and service thus rendering the overall quality of the healthcare in Singapore a remarkable and highly recognized worldwide, this put the country on the radar for foreign patients looking to find affordable high quality healthcare overseas.

3.2. Case study B: India

India, on the other hand, has chosen another approach to healthcare. It is important to note that the quality of healthcare in India is highly fluctuating between various locations and areas based on their rural or urban classification as well as a variety of other aspects that lead certain areas to be recognized as locations of high quality healthcare services while others are still in dire need of development and advancement to reach the required levels to be of satisfactory service. The most renowned cities for their medical practices are Delhi, Mumbai, and Bangalore among others. The following will assess the overall healthcare policies that are in place in India and draw the reasons that lead it to be an attractive country for medical tourism.

The Indian healthcare system is composed at approximately 80% of private institutions with mere 20% public facilities. Unlike Singapore, the Indian healthcare system relied heavily on a strong collaboration with foreign partners with a large number of associations between local Indian facilities and international institutions in particular with the United States, Singapore and until recently Yemen. In addition to the heavy part of international institutions in the improvement and development of the Indian healthcare system, 65% of the medical equipment and material used in these local facilities is imported.

The Indian government has worked on establishing a number of regulatory concepts in order to ensure the proper level of healthcare services provided to patients, the "Nursing Home Act" is a noticeable law that was passed to ensure the compliance of private institutions to the necessary requirements for good practice. The state also put in place the "Central Drugs Standard Control Organization" which is in charge of monitoring all drug import, testing, trial, and distribution. In addition to this, the "National Accreditation Board for Hospitals" and the "Indian Public Health Standards" institutions as well as the "Quality Council of India" are all public created entities that are in charge of monitoring, assessing and controlling the various healthcare providers with regards to their quality, compliance with regulations and abiding by the approved standards. In 2010, the "Clinical Establishment Act" was put in place and set the minimum standards required by clinics in order to operate on the Indian Territory.

In addition to the national accreditation and control entities, the Indian healthcare market relies on international accreditation bodies to provide additional proof of quality. The most common international institutions that

accredit the Indian facilities are the "Joint Commission International (JCI)" and the "International Organization for Standardization".

In order for the government to be able to access the large scale of healthcare providers and patients across India, the "Health Management Information System" was set in place as a digitalized database that allows for the monitoring of the performance of the various healthcare centers across the country and as such being able to monitor and assess these institutions.

The Indian government also performs regular large-scale surveys, such as the "National Family Health Survey", the "District-Level Household Survey", and the "Annual Health Survey" in order to assess the performance and satisfaction of the public with the various healthcare institutions.

In addition of the above-mentioned monitoring and assessment measures, the government has the sole control over setting the costs that healthcare facilities are allowed to charge patients for various procedures thus controlling to a certain extent the possibility that certain providers might take advantage of patients and overtax them. In case of breach of these laws, the provider will be subject to a number of penalties and fines thus reducing the willingness to transgress these laws.

On the other hand, in order to encourage the development of the healthcare market, the Indian government has implemented a number of advantageous practices for healthcare providers, the most notable are:

- The reduction of the medical equipment import taxes from 25% to 5%;
- The increase on the depreciation for said equipment from 25% to 40%;
- The reduction of customs duties from 16% to 8% and even to 5% on certain selected advanced technologies.

The above mentioned has for effect to encourage the local healthcare facilities in acquiring new and advanced technologies and top of the art equipment as the taxes and additional expenses that might have occurred are waivered.

Another way in which India has been able to boost its healthcare system is by the establishment of hospitals and clinics in the Special Economic Zones (SEZ). (These are zones of economic exchange between various countries established on the Indian soil with simplified regulations and procedures). The hospitals in these zones contain usually between 25 and 100 beds and are available for people that operate within the SEZ as well as for people from outside these SEZs. The government has provided these hospitals with a number of benefits that are unavailable for facilities outside of these economic zones due to the nature of the zones themselves. The most notable of these benefits are:

- 100% foreign equity ownership
- 100% exemption from taxes on income for the first five years
- License-free import of equipment and materials
- Custom duties exemption for materials, goods and spare parts
- Exemption of various taxes
- Exemption of import and export taxes

To top it all off, the Indian government introduced a new form of visa for people wishing to visit India for medical purposes known as the "Medical Visa". This visa is made specifically for foreign patients who choose to get treatment and procedures in India and encourages people to opt for India as their medical tourism destination due to the simplification of the process through this targeted visa. Moreover, aside from providing incentives for foreigners to come to India for medical treatment, the government has also implemented measures to encourage the local medical facilities to provide their services to foreign patients by considering the payment of medical procedures in foreign currency as "deemed import" and extending all fiscal incentives and benefits that apply to export earnings to these procedures such as duty exemption, allowing foreign capital funding etc.

Conclusions

This paper has looked into two different forms of healthcare system management by two developing countries that are in the top 5 of most sought medical tourism destinations around the globe. On one side, there is Singapore which ranks 4th with a large public healthcare system entirely run, monitored and controlled by the government, proving the public with high incentives to opt for the public sector through public medical insurance, chronic medical insurance, controlled prices, transparency and continuous improvement on the services and quality with regular satisfaction surveys to ensure that the services provided are at the expectation levels of the patients, thus

achieving high-quality service at acceptable cost in the public sector, forcing the private sector to match these characteristics. On the other side, the Indian model that relies almost entirely on the private sector in the field of healthcare focuses more on the work of regulatory and monitoring bodies to ensure a minimum level of quality and availability of the medical services. India prefers to offer incentives for the private providers and for foreign investors from duty exemption, to tax exemption to facilitating the import of equipment and material. The government controls the overall market from the point of view of pricing and quality but leaving the actual service to be provided by private entities.

The cases of these two countries can be used by developing countries that suffer from low or insufficient touristic attractions, thus suffering from a low or inexistent income from tourism, to establish an improvement and development plan for their medical and healthcare sector in order to achieve high levels of quality of service and patient satisfaction. Whether these countries follow the public facilities focused plan of Singapore or the private encouraging plan of India, developing countries can always benefit from the difference in the cost of living and overall price differences between developed and developing countries. Once these levels achieved, these services could be marketed at an international level to attract a new category of tourists that is currently on the rise. Through this process, countries that otherwise would not be on the radar as a touristic destination could become highly appealing destinations for patients seeking high-quality medical treatments at affordable costs. Moreover, through the use of medical tourism, these countries could boost their regular tourism sector as patients often travel accompanied and usually have a stay that can extend from a few days up to a week and therefore might enjoy what the countries have to offer from a touristic or adventurous point of view until they are cleared to travel back to their country of origin, thus mixing medical and regular tourism for the benefit of both the patient and the destination country.

References

Chen Y.Y.B. and Flood C.M., 2013. Medical tourism's impact on health care equity and access in low- and middle-income countries: making the case for regulation. *Journal of Law, Medicine and Ethics*, no. 41, pp. 286-300.

Connell, J., 2011. A new inequality? Privatisation, urban bias, migration and medical tourism. *Asia Pacific Viewpoint*, no. 52(3), pp. 260-271.

Connell, J., 2013. Contemporary medical tourism: Conceptualisation, culture and commodification. *Tourism Management*, no. 34, pp. 1-13.

Edward Kelley and WHO Patient Safety Programme, 2013. *Medical Tourism*, World Health Organization, [pdf] available at: http://www.who.int/global_health_histories/seminars/kelley_presentation_medical_tourism.pdf.

Haseltine, W. A, 2013. *Affordable excellence: the Singapore healthcare story*. Brookings Institution Press.

The EconomicTimes, 2015. Indian medical tourism industry to touch $8 billion by 2020: Grant Thornton, *The Economic Times India*. [online] available at: http://economictimes.indiatimes.com/articleshow/49615898.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Ipk International On Behalf Of Itb Berlin, (2016), *Itb World Travel Trends Report 2016/2017*, Berlin - Germany: Messe Berlin GmbH [pdf] available at: http://www.itb-berlin.de/media/itb/itb_dl_all/itb_presse_all/World_Travel_Trends_Report_2016_2017.pdf

Snyder, J., Crooks, V. A., Adams, K., Kingsbury, P., Johnston, R., 2011. The 'patient's physician one-step removed': The evolving roles of medical tourism facilitators. *Journal of Medical Ethics, 37*(9), p. 530.

Meenakshi A., 2012. Healthcare industry in India. *Asian Journal of Research in Social Sciences and Humanities*, no. 1(4), pp. 384-391.

Mossialos, E., Wenzl, M., Osborn, R., Anderson, C., 2015. International profiles of health care systems. *The Commonwealth Fund*, pp. 77-84.

Ormond, M., 2011. Shifting subjects of health-care: Placing 'medical tourism'in the context of Malaysian domestic health-care reform. *Asia Pacific Viewpoint*, no. *52*(3), pp. 247-259.

World Health Organization, 2000. *The World health report 2000*. Geneva – Switzerland. [online] available at: http://www.who.int/whr/2000/en/whr00_en.pdf?ua=1

https://www.medicaltourismindex.com/2016-medical-tourism-industry-valuation/

http://data.worldbank.org/indicator/ST.INT.ARVL?end=2015&start=1995&view=chart&year_high_desc=true