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# Medical Tourism in India: Progress or Plight

**KASHISH DHAWAN**[1]

## ABSTRACT

*Medical tourism has emerged as a popular choice for travellers worldwide, combining biomedical procedures with travel and tourism experiences. The term 'medical tourism' was coined by travel agencies and subsequently adopted by the mass media to describe the growing trend of crossing international borders to seek advanced medical care. Countries such as Thailand, Malaysia, and India have actively promoted medical tourism. India, in particular, possesses key competitive advantages in this industry, including its affordability, renowned expertise in advanced healthcare fields like cardiovascular surgery, organ transplants, and eye surgery, as well as its diverse range of tourist destinations. However, the medical tourism industry faces certain challenges. These include the lack of government initiatives, a fragmented approach to marketing, the absence of an accreditation mechanism for hospitals, and the absence of standardised pricing policies and quality standards across different healthcare facilities. Despite these challenges, medical tourism or healthcare tourism has become a rapidly growing multibillion-dollar industry worldwide. It represents the convergence of two major global sectors: medicine and tourism. This paper aims to assess the strengths and weaknesses of Indian medical tourism service providers and identify various factors that could impede the growth potential of this industry. The study employed a convenient sampling method, collecting data from a sample size of 200 individuals. The independent variables considered in the analysis were age, gender, education, and occupation. The findings indicate that the affordability of medical treatments has been a driving force behind the progress of medical tourism in India. However, the lack of government contributions poses a potential threat to its future growth. In conclusion, this paper examines and presents the reasons why India, as a developing country, attracts foreign tourists seeking medical treatment. It highlights the competitive advantages, such as cost-effectiveness and specialised healthcare services, while acknowledging the challenges that need to be addressed for sustained growth in the industry.*

***Keywords:*** *Medical Tourism, Economy, Multibillion-dollar Industry, Foreign Tourist, Downfall.*

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[1] Author is a student at Saveetha School of Law, India.

# I. INTRODUCTION

Medical tourism has emerged as a thriving niche market in recent years, involving travel to other countries for medical, dental, and surgical procedures. In India, medical tourism is poised to become a significant success story following the Information Technology industry. According to a study conducted by McKinsey and CII (Confederation of Indian Industry), the industry had an estimated earning potential of Rs. 5,000-10,000 crores by 2012. The study also projected that medical tourism could contribute an additional revenue of Rs. 5,000-10,000 crores for upscale tertiary hospitals, accounting for 3-5% of the overall healthcare delivery market. Horowitz and Rosenweig's research identified several countries as popular medical tourism destinations, including China, India, Israel, Singapore, Malaysia, Philippines, United Arab Emirates, Argentina, Bolivia, Brazil, Colombia, Costa Rica, Cuba, Jamaica, Mexico, US, Belgium, Germany, Hungary, South Africa, and Australia. In India, major service providers in the medical tourism sector include Apollo Hospitals, Escorts Hospital, Fortis Hospitals, Breach Candy, Hinduja, Mumbai's Asian Heart Institute, Aravind Eye Hospitals, Manipal Hospitals, Mallya Hospital, and Shankara Nethralaya. Additionally, the public-sector hospital AIIMS is also involved in medical tourism. Delhi, Chennai, Bangalore, and Mumbai have emerged as prominent medical tourism hubs, attracting a significant number of health tourists. Indian BPO firms like Hinduja TMT, Apollo Heart Street, Comat Technologies, Datamatics, and Lapiz contribute to high-end healthcare services in areas such as claim adjudication, billing and coding, transcriptions, and form processing. The establishment of one-stop centres in key international markets to streamline patient flow and immigration for healthcare is envisioned. The CII, in collaboration with the Indian Health Care Federation (IHCF), aims to establish an Indian healthcare brand associated with safety, trust, and excellence. The opportunities and challenges for growth in the healthcare sector are primarily seen within the private/corporate sector, rather than the public sector. Medical tourism in India now encompasses advanced and life-saving healthcare services, including organ transplants, cardiovascular surgery, eye treatments, knee/hip replacements, cosmetic surgeries, and alternative systems of medicine. Leisure aspects of medical travel and wellness tourism are also incorporated into medical trips. India offers a wide range of medical services to overseas patients, leveraging its rich cultural heritage, diverse geographical landmarks, and traditional arts and crafts. The famous phrase "Atithi Devo Bhava," which means "guests are treated as God," reflects the hospitality extended to tourists in India. Alongside modern medicine, traditional medical practitioners continue to practice indigenous healthcare systems throughout the country, including Ayurveda, Siddha, Unani, Naturopathy, and Yoga. These traditional systems attract national and international

patients, generating tourism flows. The **aim** of this paper is to identify the strength, weakness, opportunities and threats to Indian medical tourism.

**(A) Objectives:**

- To identify the strengths and weaknesses of Indian medical tourism.

- To observe the contributions made by the Indian government for the development of medical tourism in India.

- To identify the reasons why a developing country like India attracts foreign tourists for medical treatment.

- To give an approximate comparison of the cost of medical treatments offered in India, Thailand and Singapore.

**(B) Review Of Literature:**

According to (Pathak) (2019), medical tourism is the attempt to attract tourists by deliberately promoting its health-care services and facilities, in addition to its regular tourist amenities. (Pruthi) (2006) has defined medical tourism as a travel from home to another destination to improve one's health condition as one type of leisure. This includes getting indigenous and alternative medical services, and any other form of tourism undertaken with the purpose of addressing a health concern. (Kulkarni) (2008) describes medical tourism as a popular mass culture where people travel to overseas countries to obtain healthcare services and facilities such as medical, dental and surgical care whilst having the opportunity to visit the tourist spots of that country. (Reddy) (2013) has defined medical tourism as travel which is systematically planned to maintain one's physical and mental health condition. According to (Gupta and Sharma) (2013), medical tourism is the second mode of trade in health services. In this mode, customers (patients) leave their home country to obtain health care services with high quality and affordable prices (Rai) (2019). (Vashishtha) (2019) has defined that medical tourism occurs when international patients travel across boundaries for their healthcare and medical needs. It can be defined as provision of cost effective private medical care in collaboration with the tourism industry for patients needing surgical and other forms of specialized treatment. (Shapiro) (2020) have defined medical tourism as travel with the aim of improving one's health, and also an economic activity that entails trade in services and represents two sectors: medicine and tourism. Medical tourism according to (Singh) (2008) is looking for available quality combined with cost effective and low price health services while offering a similar level of safety to the patient. It has become a 60 billion US dollar a year business with a growing rate of about 20% a year which could increase to 100 billion US dollar by 2012. (Ulahannan et al.)

(2020) Normally, the majority of medical tourists come from the industrialized countries of the world especially Europe, the UK, Middle East, Japan, U.S. and Canada where the cost of medical treatment is very expensive and there are often long waiting times for treatments. Other than India, countries that are currently promoting medical tourism are Thailand, Malaysia, Singapore, South Korea, Bolivia, Brazil, Belgium, Cuba, Costa Rica, Hungary, and Jordan. Private sector development in emerging economies— such as India, Thailand, Singapore, and certain Latin American nations—attracts foreign patients for relatively cheaper care: the uninsured, the underinsured, or those who prefer not to wait for treatment under a national health insurance system. (Brown et al.) (2020) The main reasons for the growing popularity in medical tourism in India are: (a) the long waiting lists in the developed countries, (b) the low cost of medical treatments in India than the other developed countries. In India, complicated surgical procedures are being done at one-tenth of the cost as compared to the procedures in the developed countries, (c) The affordable international air fares and favorable exchange rates, (d) the Internet; with the development of communications, new companies have emerged who acts as middlemen between international patients and hospital networks, giving patients easy access to information, prices and option, (e) the state-of-art technology, specialist doctors, nurses and para- medical staffs that has been adopted by the big hospitals and diagnostics centers in India. In India, the medical education system also caters to the ever increasing demand for the delivery of the quality health care services all over the country (Dang et al.) (2020). In order to realise the full potential of this industry, it is needed to develop a strategic plan on medical tourism in India.

## (C) Research Methodology:

The current study is based on empirical research. It is consisting of the scientific frame of research. It began with the finding of research problems based on the review of literature. The major contribution of the study is to collect the legal facts of a particular area and to test the hypothesis of a cause and effect relationship between variables. The research design is exploratory and experimental. It explored the problem tested with hypotheses and provided the solution from the analysis. Convenient sampling method is used (Non probability sampling). The sample size is 200. Data is collected through the primary and secondary sources. Questionnaire is used as the primary data collection and the articles, journals, reports, newsletters are considered as the secondary sources. The analysis is carried out for demographic statistics (Age, Gender, Educational qualification and Occupation) and hypothesis testing graphs are used.

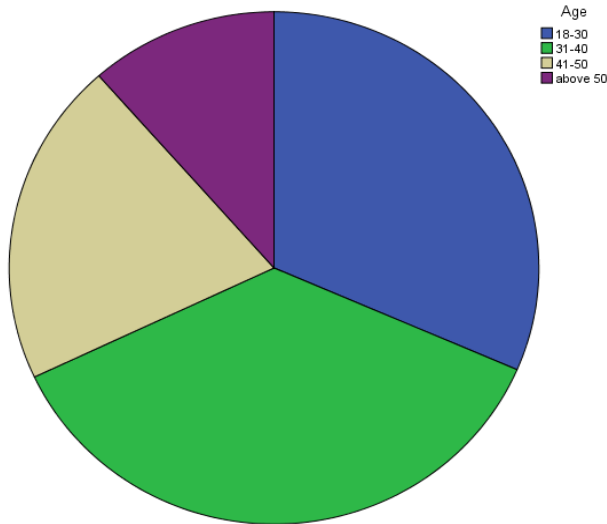## II. ANALYSIS

### (A) Variables:

#### a. Age:



**FIG.1**

**LEGEND:** It is observed that 31.5% respondents are from the age group 18-30. 36.5% respondents are from the age group 31-40, 20.5% respondents are from the age group 41-50 and 11.5% of the respondents are Above 50. Therefore the majority of the respondents are from the age group 31-40.
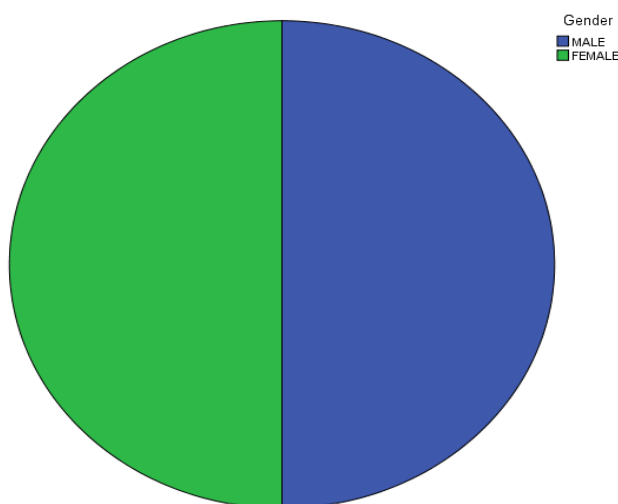
#### b. Gender:



**FIG.2**

**LEGEND:** It is observed that 50% of the respondents are men and 50% of the respondents are women.
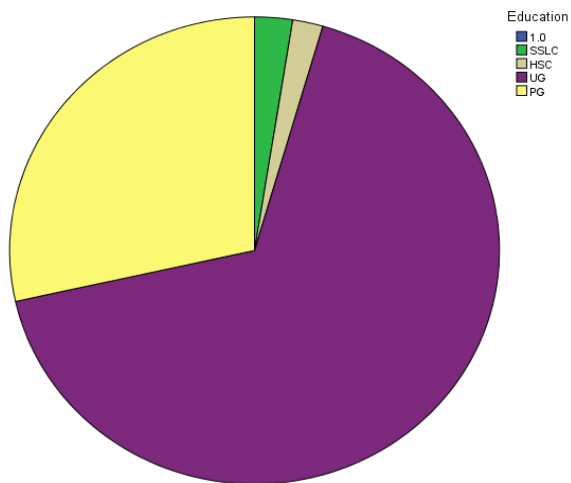
## c.  Education:



**FIG.3**

**LEGEND:** It is observed that 67% of the respondents are Under Graduates, 28.5% respondents are Post Graduates and 5% of the respondents have completed their SSLC & HSC. Therefore the majority of the respondents are Under Graduates.
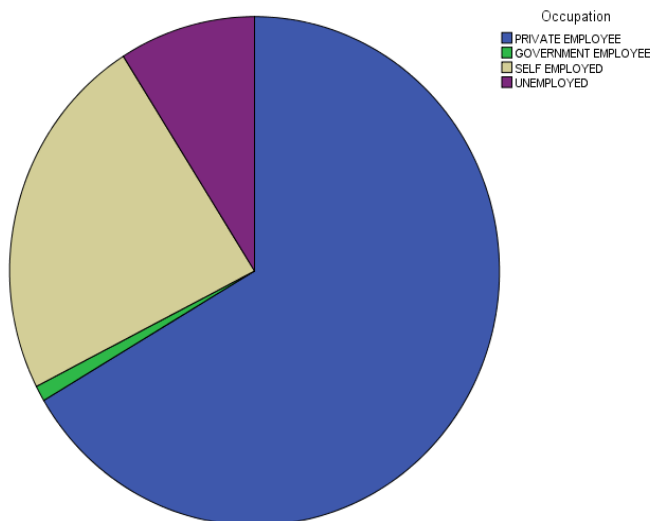
## d.  Occupation:



**FIG.4**

**LEGEND:** It is observed that majority of the respondents are Private Employees (66.5%). 23.5% of the respondents are Self Employed. 9% of the respondents are Unemployed and a mere 1% of the respondents are Government Employees.

## III. QUESTIONS

1. **"Yoga, Unani, Siddha, Ayurvedic, Naturopathy" these traditional healthcare**

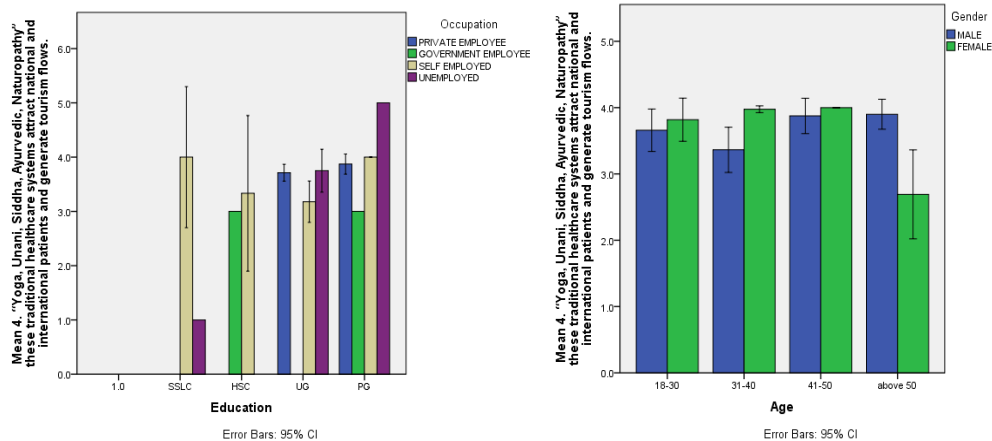**systems attract national and international patients and generate tourism flows.**



**FIG. 5&6**

**LEGEND:** It shows the gender distribution of various Age groups, Occupational distribution of Educational qualifications and their agreeability towards usage of traditional health care systems to attract international patients and its usage to generate tourism in India.

**RESULT:** The result of Fig. 5&6 shows that the traditional healthcare systems attract foreign tourists. Self employed and unemployed postgraduates highly agree that traditional healthcare systems attract foreign tourists, other respondents agree to the question and the government employees who have completed their UG and HSC partly agree (neither agree nor disagree) to traditional healthcare. The gender distribution clearly states that the respondents strongly agree that the traditional healthcare system highly contributes to the Indian economy as it attracts international tourists.

**DISCUSSION:** According to (Ulahannan et al.) (2020) "Popular indigenous healthcare traditions include Ayurveda, Siddha, Unani, Naturopathy, and Yoga. All these traditional healthcare systems are attracting national and international patients and generating tourism flows." As per the international healthcare and research center, India currently ranks 5th on the Medical Tourism Index globally and 2nd in Asia it is known for the Ayurvedic healthcare therefore it attracts international tourists and medical tourism in India has become the new Niche travel.

2. **"Quality care, relatively cheaper services compared to the west, package deals and cheap services from the tourism and hospitality sectors are the biggest attractions of medical tourism in India."**
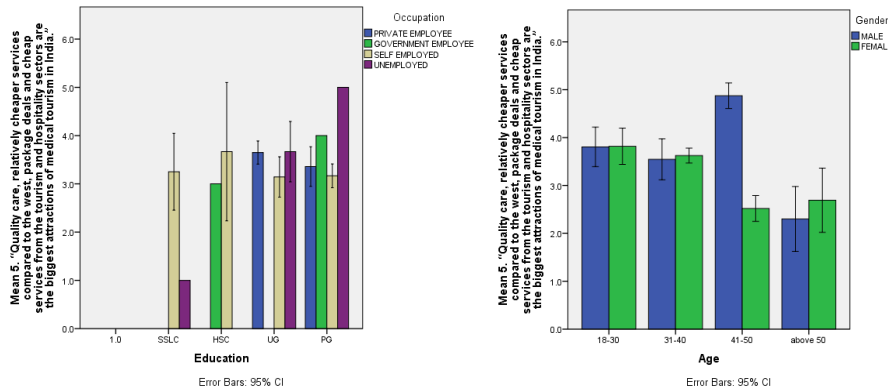
**FIG. 7&8**

**LEGEND:** It shows the gender distribution of various Age groups, Occupational distribution of Educational qualifications and their agreeability towards quality care, cheaper services etc as attractions to generate medical tourism.

**RESULT:** The result of Fig. 7&8 shows that "Quality care and cheaper services are the biggest attractions of medical tourism in India." Self employed and unemployed postgraduates highly agree that quality healthcare and cheaper services attract foreign tourists, other respondents agree to the question and the government employees who have completed their UG and HSC partly agree (neither agree nor disagree). The gender distribution clearly states that the respondents strongly agree that the cheaper services in healthcare highly contributes to the increased international medical tourists.

**DISCUSSION:** In recent times people travel from developed countries to for medical treatments because of the two main reasons, one is cost and other reasons are : some treatments may not be legal in their own country. Skilled doctors and improved quality of private healthcare etc are the reasons why medical tourism is increasing in developing countries.

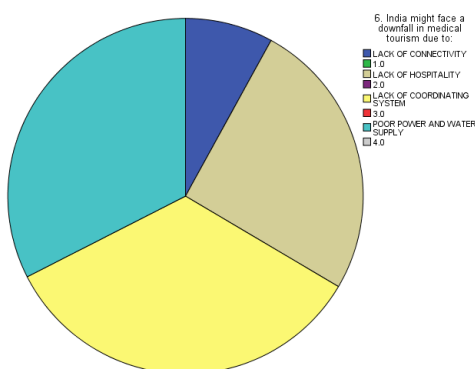3. **India might face a downfall in medical tourism due to:**



**FIG. 9**

**LEGEND:** Majority of the respondents (34%) observe that India might face downfall due to

lack of coordination system. 32.5% of the respondents answered that it is due to poor power and water supply. 25.5% respondents observed that it is due to lack of hospitality and 8% observed that it is connectivity issues that might cause a downfall in medical tourism.

**DISCUSSION:** No strong government support / initiative to promote medical tourism, Low Coordination between the various players in the industry– airline operators, hotels and hospitals, Customer Perception as an unhygienic country, No proper accreditation and regulation system for hospitals, Lack of uniform pricing policies across hospitals, Strong competition from countries like Thailand, Malaysia, Singapore, Lack of international accreditation Overseas medical care not covered by insurance providers, Under-investment in health infrastructure etc are the various reasons why India might face a downfall in medical tourism.

## IV. CONCLUSION

India possesses a strong competitive advantage in the global medical tourism sector and has the potential to lead in this industry. The government plays a crucial role in fostering the development of medical tourism by acting as both a regulator and facilitator of private investment in healthcare. It is essential for the government to establish mechanisms that enable faster visa processing for foreign tourists seeking medical treatment, allowing patients to contact the Immigration Department at any point of entry for expedited clearance. Additionally, implementing tax incentives for service providers, reducing duties on medical equipment, and establishing committees to promote and support medical tourism are some of the initiatives that should be undertaken. Developing supporting infrastructure, such as efficient transportation services, is also necessary to facilitate tourism in India. Collaboration between the tourism, health, information, and communication departments is vital to ensure seamless patient care. This paper recommends several strategies to further promote medical tourism in India. Firstly, it suggests building and promoting India's image as a destination for high-quality medical tourism. Secondly, creating and promoting new combinations of medical tourism products can enhance the attractiveness of India as a medical tourism destination. Additionally, maintaining affordable prices while upholding high standards of quality treatments is essential. Providing informative online and offline materials and making them easily accessible to potential customers can help in attracting more patients. Furthermore, obtaining accreditation or adhering to quality standards to ensure the quality of treatments and focusing on the needs and preferences of target markets are crucial factors that need to be incorporated into the strategy.

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