

## VHB – Cross-border Healthcare – Modul 1 – Supply and Demand

F	Title	Content
1.	<b>History of Medical Tourism</b>	<p>The <b>asclepieion at Epidaurus</b> was the most <b>celebrated healing center of the classical world</b>, the place where ill people went in the hope of being cured. To find out the right cure for their ailments, they spent a night in the <b>enkoimitiria, a big sleeping hall</b>. In their dreams, the god himself would advise them what they had to do to <b>regain their health</b>. Found in the sanctuary, there was a <b>guest house for 160 guestrooms</b>. There are also <b>mineral springs</b> in the vicinity which may have been used in healing.</p>
2.	<b>Definition – Medical Tourism</b>	<p><b>Medical tourism</b> (also called medical travel, health tourism or global healthcare) is a term initially coined by travel agencies and the mass media to describe the rapidly-growing practice of <b>travelling across international borders to obtain health care</b>. It also refers pejoratively to the practice of healthcare providers travelling internationally to deliver healthcare.</p>
3.	<b>Challenges in Medical Tourism</b>	<p><b>Medical tourism</b> is full of <b>challenges</b> for all involved parties:</p> <p>The patient has to find the right <b>information</b> about his treatment options in a foreign country. Websites that offer information on this issue are abundant and it is not always easy to discriminate those that offer valid information in a <b>transparent</b> way. The <b>safety and security</b> of the patient himself and his health records have to be assured. The <b>communication</b> processes between patient, providers and intermediators like medical tourism facilitators are complex and highly interdependent with many interfaces. The <b>quality</b> of healthcare providers around the world is not easy to assess – neither for the patient nor for healthcare specialists due to the sheer physical distance between patient and his general practitioner and the healthcare provider in the distant country. The <b>organization</b> of a medical tourism trip is quite intricate and many aspects have to be taken into account by the patient and his relatives and service providers.</p>
4.	<b>Aspects of Medical Tourism</b>	<p>There are many aspects that have to be considered in the field of medical tourism. <b>Quality</b> and <b>affordability</b> are key aspects for deciding to get treatment abroad. Sometimes <b>waiting times</b> caused by limited capacities play a crucial role, too. In some cases the necessary treatment is <b>not available</b> in the home country of the patient which makes him seek care in other more developed countries. The <b>tourism and vacation</b> part is something that can be regarded as an added value with varying importance to the patient depending of the scope and severity of his disease and intervention. <b>Privacy and confidentiality</b> is also important in general but most relevant in cases where the patient is either of VIP status or will undergo a treatment that he wants to conceal from his family members or friends.</p>

5.	<b>Mc Kinsey – Medical Tourism</b>	<p>The <b>patient flows</b> in medical tourism today involve literally all continents. One can distinguish the following <b>general directions</b>:</p> <ol style="list-style-type: none"> <li>1. Inbound</li> <li>2. Outbound</li> <li>3. Intrabound</li> </ol> <p>The patient streams from the different continents show <b>great disparities</b> concerning these three general categories of direction. For instance 93% of the patients from Asia tend to choose providers inside of Asia. In North America this proportion is approximately only one third. 45% of North Americans that seek treatment abroad choose providers in Asia, 26% do so in Latin America for instance.</p>
6.	<b>Medical Tourism - Worldwide</b>	<p>The medical tourism industry is a <b>multi-billion dollar business</b> worldwide. A recent McKinsey Study on the issue of medical tourism and cross-border healthcare predicts and prognosticates an even more optimistic estimation of a global market: In 2006, the medical tourism industry grossed about \$60 billion worldwide. McKinsey &amp; Company estimates this total will rise to \$100 billion by 2012.</p>
7.	<b>Controversial Discussions</b>	<p>There are many controversies about the topic of medical tourism. <b>Arguments in favor</b> of medical tourism are that everybody has the right to obtain healthcare regardless of whether he has this service available in his home country. Event more it would be unethical to deny anyone the access to medical treatments. <b>On the other hand side</b> one has to consider the fact that mostly rich people can afford medical treatments abroad and the problems that can arise from medical tourism leading to an increasing split between the private and public healthcare sector esp. in developing countries.</p>
8.	<b>Quality = Main driving factor</b>	<p><b>Quality</b> is the single most important aspect in medical tourism. More than one third of medical tourists look for <b>most advanced technology</b> when going abroad for treatment. A little less than one third is considering better <b>quality of care for medically necessary treatment</b> as an important factor. Fifteenth percent want quicker access to medically necessary treatment. Nine percent appreciate lower cost for necessary treatment as a driving force and only 4% want to benefit from lower cost of discretionary procedures.</p>
9.	<b>Price Levels</b>	<p>There are huge price differences in treatments that patients can access all over the world. With the <b>US healthcare system</b> being the most expensive one the other countries are usually being compared to US prices as a reference value. Similar treatments can be obtained in <b>European</b> countries for roughly 40-70% of US prices. In <b>Singapore</b> the level is approximately half of the US level in <b>Thailand</b> this is even undercut at a mean value of 30% reaching a bottom line of approximately twenty percent in <b>India</b>.</p>

10.	<b>Price Comparisons</b>	The price comparison for a <b>hip replacement</b> in various countries of the world reveals enormous differences. The price for this procedure is significantly cheaper in many countries outside the US where it is performed at a cost of \$ 50,000. The largest difference can be seen in India and Jordan for instance, where the procedure is offered for only \$ 8,000. In between there are countries like Korea (\$17,000) and Costa Rica (\$ 11,500).
11.	<b>Driving Forces in Medical Tourism</b>	According to <b>Ruben Toral</b> the former marketing manager of the Bumrungrad International Hospital in Bangkok/Thailand there are <b>three key driving forces</b> behind medical tourism. <b>Globalisation, internet technologies and consumerism</b> finally lead to cost competition for health providers and a world of choices for the patient on a global level. The patient is getting more and more self-driven and takes his fate into his own hands by looking for alternative treatment options in other countries through web-based platforms where they can get a 24/7 access to myriads of healthcare offers. Information technology esp. in the field of e-health is making more and progress and makes communication of patient data more and more feasible over long distances.
12.	<b>Globalization</b>	<b>Globalization</b> is reaching more and more sectors of production and service that are offered worldwide. Cheap labour force in developing countries has not only lead to <b>shifts in production</b> to such countries and has made available <b>outsourcing services</b> like software production and even telemedicine services in radiology from the US to India. With the concept of medical tourism even <b>health care services</b> have become a <b>tradable issue</b> .
13.	<b>Internet</b>	With the increasing success and spread of <b>internet technologies</b> and patients being virtually able to access medical information and corresponding treatment options and offers on a global level, the readiness of patients in need of treatment not available or affordable at their home country has risen dramatically. Nowadays patients can do the necessary research in front of their computers and compare the various options.
14.	<b>Consumerism</b>	With convenient access to the Internet, and an increased sense of awareness about healthcare issues, patients are nowadays beginning to understand how to use their influence, their <b>consumer-power</b> , to change the healthcare landscape. Patients can and do choose their providers. While some insurance plans limit choices, the ability to choose a provider is still available to most. Patients will get information about a provider's credentials, licensing, even comments about the provider's reputation and use that information to choose which providers they prefer to see for their care on an national and even international level.

15.	<b>Concepts of Health- &amp; Medical Tourism</b>	<p>The field of health and medical tourism can be seen as a kind of onion model. In the center there is the <b>high-tech offer of medical treatments</b> that can be provided by the medical experts of the destination. Here the reputation of the physicians and the nurses and assisting professionals plays a crucial role. Patients will prefer to be treated in countries with a highly developed infrastructure for medical training and further education in this field. Next to this the complementary offers for <b>health related tourism</b> can differentiate the offer of a country to other competitors. In this respect health resorts and spas as well as rehabilitation facilities for the after-care of the patient can make a difference. Finally the characteristics of the <b>health destination</b> as a whole have to be considered. Here the aspects of tourism attractions, infrastructure and natural resources come into play.</p>
16.	<b>Case Study - BAVARIA</b>	<p><b>Bavaria is very well positioned in all of these three mentioned spheres:</b> First of all the <b>physicians</b> are well trained and have undergone a complex and extensive medical training of six years at the medical school. Afterwards their further specialization consists of five to six years of further vocational training with the obligation of continuous medical education. There are five <b>university medical centers</b> with so called “supra-maximum” care and many large <b>community clinics</b> among the almost 400 clinics in Bavaria. They ensure a comprehensive range of services, the very latest standards of diagnosis and treatment.</p> <p>In the field of <b>rehabilitation</b> Bavaria’s healthcare structure is practically the only one of its kind in the world. About 300 <b>prevention and rehab institutions</b> with over 30,000 beds interlink in a dense healthcare network. There is practically no other example in the world of such a comprehensive and specialised provision of quality rehabilitation. On top of that Bavaria’s 50-odd highly rated health spas and sanatoria provide a unique range of “soft” healthcare services.</p> <p><b>Bavaria is a major tourism destination</b> with many sights worth visiting. Guests from around the world enjoy the hospitality and the Bavarian outlook on life, for example, in Munich, Europe’s safest million-strong city. Domestic safety has a high significance in Bavaria; one cannot live anywhere more safely than in Bavaria. Travel, stroll and encounter without worrying – the whole family feels at ease in Bavaria.</p>
17.	<b>Segmentation</b>	<p>The continuum of health and medical tourism can be subdivided into <b>three segments</b>. First there is the area of medical wellness that serves to promote recreation for the still healthy consumer. Second there is the segment of spa/cure and rehabilitation where health related treatments are offered that are tailored to prevent specific diseases or aggravations of specific conditions of a patient. Finally the field of medical tourism covers all interventions that aim at healing diseases of a patient.</p>
18.	<b>Definition – Medical Tourism</b>	<p>Services typically sought by travelers include <b>elective procedures</b> as well as complex <b>specialized surgeries</b> such as joint replacement (knee/hip), cardiac surgery, dental surgery,</p>

		<p>and cosmetic surgeries. However, virtually <b>every type of health care</b>, including psychiatry, alternative treatments, convalescent care and even burial services are available. As a practical matter, providers and customers commonly use <b>informal channels of communication-connection-contract</b>, and in such cases this tends to mean <b>less regulatory or legal oversight</b> to assure quality and less formal recourse to reimbursement or redress, if needed.</p> <p><b>Source:</b> (Wikipedia: <a href="http://en.wikipedia.org/wiki/Medical_tourism">http://en.wikipedia.org/wiki/Medical_tourism</a>)</p>
19.	<b>Definition – Health Tourism</b>	<p><b>Health Tourism.</b> Travel undertaken to enjoy a more salutory environment, to seek out alternative therapeutic treatments, or to visit a health spa.</p> <p><b>Source:</b> Travel Industry Dictionary</p>
20.	<b>Definition – Wellness</b>	<p><b>Wellness</b> (by Halbert Dunn)</p> <p>In his book, High-Level Wellness, Halbert Dunn viewed wellness not as a static state of being “unsick,” but rather as an ongoing process or a “direction in progress toward an ever higher potential of functioning. He defined wellness as: “an integrated method of functioning which is oriented to maximizing the potential of which an individual is capable. It requires that the individual maintain a continuum of balance and purposeful direction within the environment where he is functioning.</p>
21.	<b>Offers in Health Tourism</b>	<p>The offers in health related tourism can be subdivided in two areas: The offers of primary prevention, performance improvement and offers to improve attractiveness fall into the group of not indication-oriented offers (i.e. diagnosis not relevant). The offers of secondary/tertiary prevention, rehabilitation and treatment fall into the group of indication-oriented offers (i.e. diagnosis relevant).</p>
22.	<b>Cross-border Healthcare in Europe</b>	<p>“The ongoing process of <b>European integration</b> is resulting in the heightened <b>mobility</b> of labour and an increase in the private activities of its citizens in the form of greater <b>tourism</b> and <b>travel</b>. This requires protection in the event of illness and the availability of medical treatment by means of common rules in the health segment. In addition, <b>EU citizens</b> are entitled to receive <b>specific medical treatment in any other EU healthcare system</b>. The rising interest of patients in this freedom of choice is increasingly generating new impetus for the EU health market.”</p> <p><b>Source:</b> TK in Europe – TK Analysis of EU Cross-Border Healthcare in 2007</p>

23.	<b>Cross-border Healthcare Directive</b>	<p>On 2 July 2008, as part of the Renewed Social Agenda, the Commission adopted a draft Directive on the application of patients' rights in to cross-border healthcare, which provides a Community framework for safe, high quality and efficient cross-border healthcare. At its meeting on 28 February 2011, the Council adopted a healthcare directive for both intra-European and “cross-border” applications, meaning the legislation designed to strengthen patients’ rights substantially, will shortly come into force. The basic principle enshrines that patients are entitled to the same amount of reimbursement in the country that provides healthcare as they would receive in their native country.</p> <p><a href="http://www.eu2011.hu/news/council-decision-strengthening-rights-patients-eu">http://www.eu2011.hu/news/council-decision-strengthening-rights-patients-eu</a></p>
24.	<b>Mobility in Healthcare</b>	<p><b>Patient Mobility</b> The patient mobility is growing in the European Union and has four main areas that require attention. These are: waiting lists and free capacities; centres of excellence/reference centres; closer cooperation in border regions; and health care for persons undergoing long-term stays.</p> <p><a href="http://www.iese.edu/en/files/PatientmobilityinEU_tcm4-14463.pdf">www.iese.edu/en/files/PatientmobilityinEU_tcm4-14463.pdf</a></p> <p><b>Health Professional Mobility</b> Mobility of health professionals in the EU is an increasing phenomenon, impacting the health systems of receiving, and sending countries. EU Member States are increasingly affected by these developments. At the same time, reliable and differentiated knowledge and findings are lacking.</p> <p><a href="http://www.mohprof.eu/LIVE/about.html">http://www.mohprof.eu/LIVE/about.html</a></p>
25.	<b>Eurobarometer Flash</b>	<p>In order to assess <b>cross-border healthcare from the citizens perspective</b>, the European Commission Directorate General for Health and Consumer Protection sought to poll citizens from all EU countries about their experiences and expectations concerning <b>patient mobility</b>.</p> <p><b>The survey covered all 27 Member States of the European Union (EU) on a randomly selected sample of over 27,200 individuals of at least 15 years of age.</b> The interviews were conducted by telephone between May 26 and 30, 2007. More <b>details on the survey</b> are available in the final chapter of the report.</p>
26.	<b>Eurobarometer Survey Key Findings</b>	<p><b>Slightly more than half of EU citizens are open to travel to another EU country to seek medical treatment (54%).</b> The most prominent reason to do so is a hypothesised <b>unavailability</b> of the necessary treatment in the domestic healthcare system. The hope of <b>better quality</b> (generally, or through a specialist residing elsewhere in Europe) and the promise of <b>quicker access</b> to the necessary treatment are also important motivating factor for patients</p> <p><b>Source:</b> Flash Eurobarometer No210 - Cross-border healthcare in the EU</p>

27.	<b>International Comparison of Healthcare Systems</b>	
28.	<b>WHO – World Health Report</b>	<p>The world health report, first published in 1995, is WHO's leading publication. The report combines an expert assessment of global health, including statistics relating to all countries, with a focus on a specific subject. The main purpose of the report is to provide countries, donor agencies, international organizations and others with the information they need to help them make policy and funding decisions. The report is also offered to a wider audience, from universities, teaching hospitals and schools, to journalists and the public at large - anyone, in fact, with a professional or personal interest in international health issues. Source: <a href="http://www.who.int/whr/en/">http://www.who.int/whr/en/</a></p> <p>The World Health Organization's ranking of the world's health systems was last produced in 2000, and the WHO no longer produces such a ranking table, because of the complexity of the task.</p> <p>???</p>
29.	<b>WHO - Ranking</b>	<p>The World Health Organization has carried out the first ever analysis of the world's health systems. Using five performance indicators to measure health systems in 191 member states, it finds that France provides the best overall health care followed among major countries by Italy, Spain, Oman, Austria and Japan. The U.S. health system spends a higher portion of its gross domestic product than any other country but ranks 37 out of 191 countries according to its performance, the report finds. The United Kingdom, which spends just six percent of GDP on health services, ranks 18 th . Several small countries – San Marino, Andorra, Malta and Singapore are rated close behind second- placed Italy.</p> <p><a href="http://www.who.int/whr/2000/media_centre/press_release/en/index.html">http://www.who.int/whr/2000/media_centre/press_release/en/index.html</a></p>
30.	<b>Multiple Roles of People in Health Systems</b>	
31.	<b>Health Systems Input</b>	<p>The <b>provision of health care</b> involves putting together a considerable number of <b>resource inputs</b> to deliver an extraordinary array of different <b>service outputs</b>. Few, if any, manufacturing processes match the variety and rate of change of production possibilities in health.</p>

		<p><b>Figure 4.1</b> identifies <b>three principal health system inputs</b>: human resources, physical capital, and consumables. It also shows how the financial resources to purchase these inputs are of both a capital investment and a recurrent character. As in other industries, investment decisions in health are critical because they are generally irreversible: they commit large amounts of money to places and activities which are difficult, even impossible, to cancel, close or scale down.</p> <p>-&gt; <a href="http://www.who.int/whr/2000/en/whr00_en.pdf">http://www.who.int/whr/2000/en/whr00_en.pdf</a> p. 75f</p>
32.	<p><b>Health Systems Input Comparison</b></p>	<p>Figure 4.2 shows <b>resource profiles</b> for <b>four high income countries: Denmark, Sweden, the United Kingdom, and the United States</b> (23). Each country's input level, on each of eight inputs, is expressed as a percentage of the highest value for that indicator in the group: the figures do not show "best performance" in the sense of Chapter 2 but simply compare input levels.</p> <p>The <b>United States</b> is at or close to the maximum on every input. On expenditure and technology it is at the maximum of this group of countries. <b>Sweden</b> has the largest stock of human resources and beds and, with <b>Denmark</b>, the highest drug spending. The <b>United Kingdom</b> is within the boundary set by this group on every input: it is particularly far from the maximum on expenditure per capita and technology (magnetic resonance imaging (<b>MRI</b>) and computerized tomography (<b>CT</b>) scanners). However, in terms of <b>beds</b> and <b>drugs</b> the UK is comparable to the rest of the group and higher than the USA.</p>