



HEALTH, WEALTH, ETHICS AND MEDICAL TOURISM

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INTRODUCTION



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- Health is arguably the **greatest asset** a person can have. The quest for good health is **universal** and this is why policy makers around the world are constantly looking for **effective measures** for an approach that satisfies this demand for health.
 - The reduction, if not the elimination, of **health inequities** both at **national and global levels** is what remains the ultimate aim and intention.
 - The question is whether medical tourism **aggravates** these inequities and gives rise to **ethical dilemmas** in the healthcare domain?

MEDICAL TOURISM IN A NUTSHELL

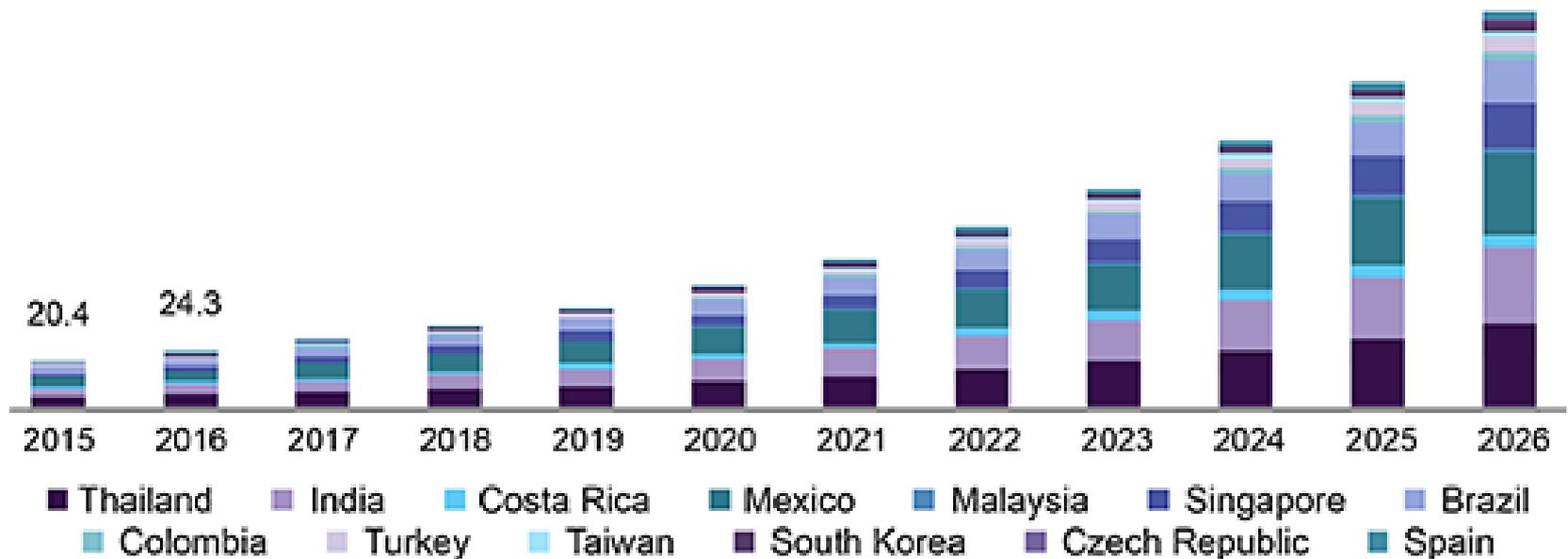


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- A vast and rich body of literature exists on the topic of medical tourism and **empirical research** in the field is growing at a rapid pace.
 - **Medical tourists** are defined as persons who travel across international frontiers with the intention of seeking access to non-emergency medical care.
 - This has been encouraged by **low and middle income countries** promoting their tourism product and their healthcare facilities as medical tourism destinations.
 - Such countries are marketing themselves as being able to provide world class medical care which is **accessible, reliable and affordable**.

- The idea of offering health services virtually **on demand** also underpins the **attractiveness** of medical tourism destinations, as well as the fact that consumers are able to receive care and recover in a top of the range **holiday resort**.
- It is a fact that in recent decades the rise of **neoliberalism** and the pursuit of economic growth by all countries has resulted in health care being increasingly considered as a **commodity**. Trade across national borders is **relentless** and the world is witnessing medical tourism evolving into a powerful driver of the trade in services.

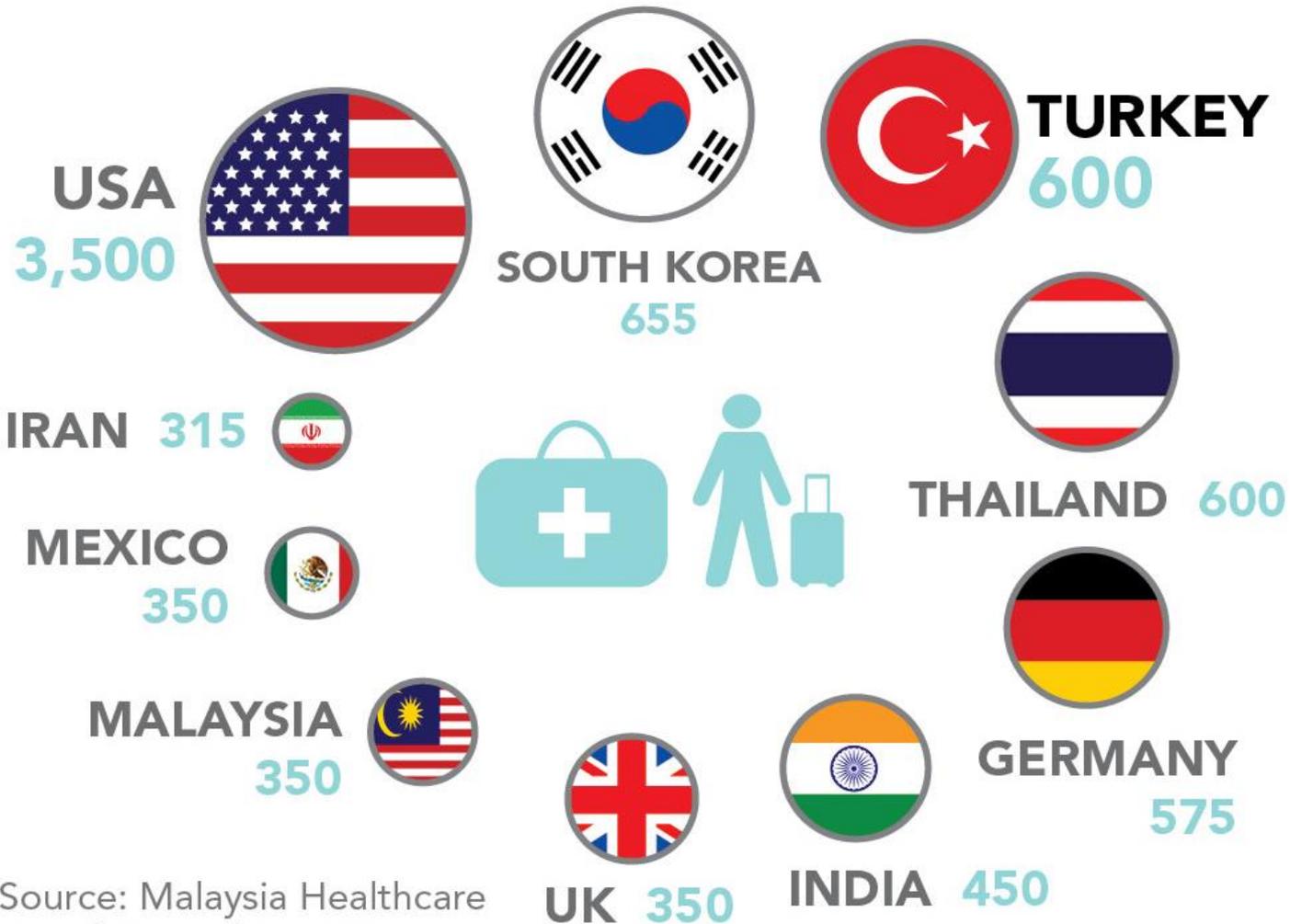
Some Quick Facts at a Glance...

Global medical tourism market size, by country, 2015 - 2026 (USD Billion)



Source: www.grandviewresearch.com

Top 10 Global Medical Tourism Destinations by Value (USD Millions)...



Source: Malaysia Healthcare Travel Council (MHTC)

Average Cost of Medical Procedures in Selected Countries...

Global Medical Procedures Cost Comparison

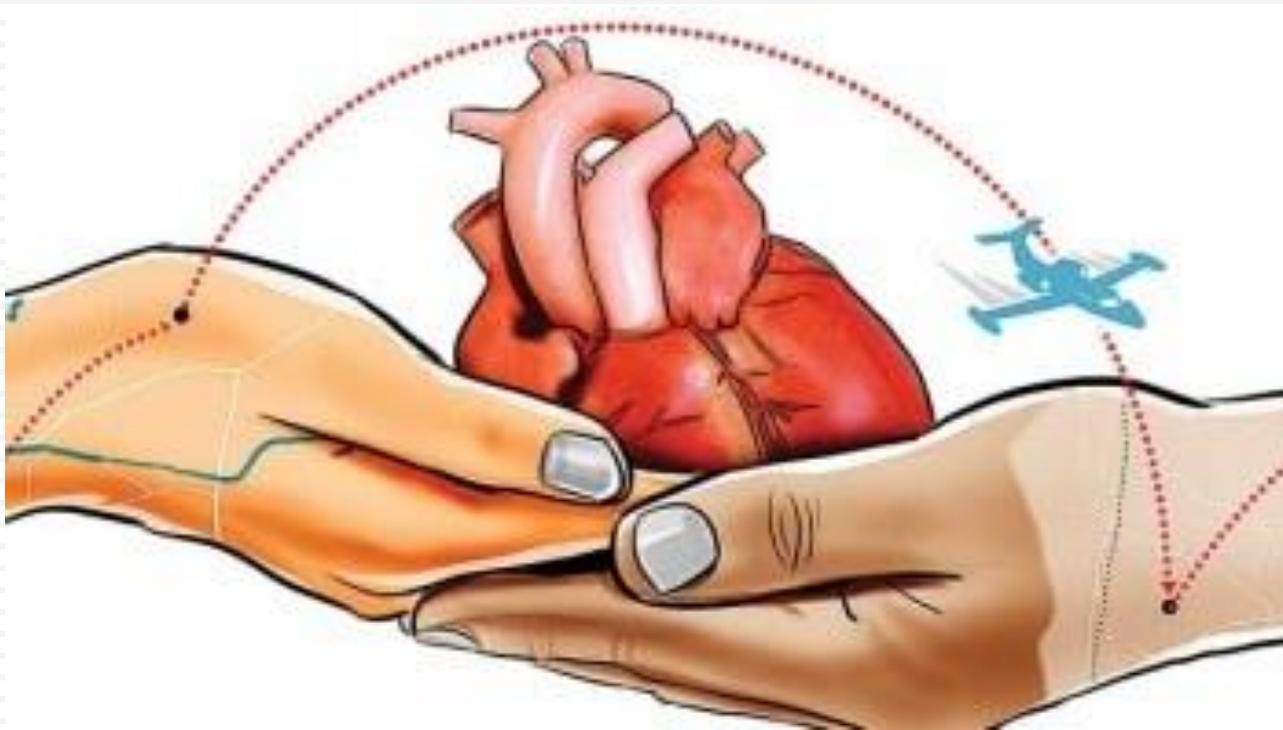
U.S., Thailand, Singapore, and Malaysia (US\$)

Procedure	U.S.	Thailand	Singapore	Malaysia
Heart Bypass	\$130,000	\$11,000	\$18,000	\$9,000
Valve Replacement	\$160,000	\$10,000	\$12,500	\$9,000
Angioplasty	\$57,000	\$13,000	\$13,000	\$11,000
Hip Replacement	\$43,000	\$12,000	\$12,000	\$10,000
Hysterectomy	\$20,000	\$4,500	\$6,000	\$3,000
Knee Replacement	\$40,000	\$10,000	\$13,000	\$8,000
Spinal Fusion	\$62,000	\$7,000	\$9,000	\$6,000

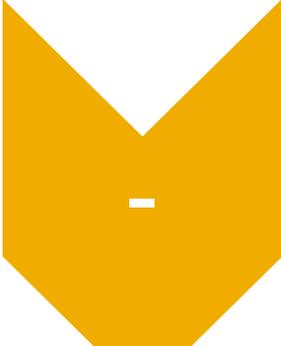
** Estimated costs of common medical procedures*

Source: Global Health and Travel, Jul-Aug 2013, Page 56.

THE INTERPLAY BETWEEN MEDICAL TOURISM AND ETHICS



What comes to Mind?



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Illegal Organ Transplantation/Organ Trafficking
Surrogacy



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Cosmetic Surgery
Stem Cell Transplantation



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Dental Procedures
Fertility Treatments

Important Questions to Ask...

- Does medical tourism give rise to issues which are **moral, ethical and legal**?
- Are there **risks** associated with it? If so, what are these risks?
- Is there a serious risk that resources intended for **public health** are diverted to the **private sector** providing specialised medical care?
- Is there also a risk that access to medical care will be reduced for those who are **in need** and unable to pay for private medical care?

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- **Waiting times** to see a GP, to have an operation, to have any type of major intervention, are increasing despite promises by the Authorities to the contrary.
 - People in need look for alternatives. What are these? If they are available, are they **affordable**?
 - Will the **insurance companies** cover the expenses incurred outside the jurisdiction? What guarantees for quality care are in place?

Policy Considerations

- The decision which policy makers are faced with in respect of medical tourism is **contentious** and gives rise to **political choices**.
- Should a State which does not have **adequate measures** to meet the health needs of its people consider providing legislative or other facilities to the **private sector** to start promoting medical tourism for foreigners?

- Are foreigners or should foreigners in a **privileged/priority situation** with regard to accessing medical services and sophisticated care?
- The cost of specialised medical care can be **prohibitive** even for medical tourists.
- Can a State give all facilities for medical tourism and be **less developed** in expectation of earning revenue through taxation or other fiscal measures to improve the quality of medical services for **the masses**? Is this a valid consideration for the State?

- Should money likely to be generated from medical tourism be the **primary factor** in deciding on whether or not to allow medical tourism to be available?
- But the truth is that not all States are **'equal'** in terms of medical tourism facilities.
- The risk is that medical tourism will be criticised as being a **service for the rich** while the poor either have **no service or mediocre service**.
- As health becomes **a right** for all individuals, politicians will be confronted with these fundamental issues.
- What can be a **win-win outcome** is as yet unclear.

INDIA: A CASE STUDY



- India is the world's second most populous country and largest democracy.
- Medical Tourism in India each year sees a large influx of medical tourists visiting from all over the world for medical treatment and surgery.



Why India is a Popular Medical Tourism Destination...

- Indian culture has a deep **spiritual impact** on people and serves as a brand new experience for foreigners.
- India is a **world-renowned** tourism destination with an array of attractions and activities for tourists.
- Most medical professionals in India have graduated from first world countries making them highly **professional and skilled**.
- Medical treatment is extremely **affordable**.
- Many alternative healing methods like **Yoga and Ayurveda** are available.
- Indian health care facilities are **technologically advanced**, giving consumers confidence in the system.

Popular Treatments in India...

Bone Marrow Transplant

- Indian surgeons excel at bone marrow transplant, which is a complex surgery.

Cardiac Bypass Surgery

- A life-saving surgery, it costs minimal in India compared to other countries.

Eye Surgery

- Eye surgeries of all sorts starting from cataract operations to replacement are available in many cities of India.

Hip Replacement

- Lower costs and major success rate are 2 contributing factors to prove that India might be the most famous destination to get a hip surgery.

Heart Surgery

Slightly different than a cardiac bypass surgery, India holds an authoritative identity in the field of heart surgeries. Heart surgeries of all kinds are carried out in India.

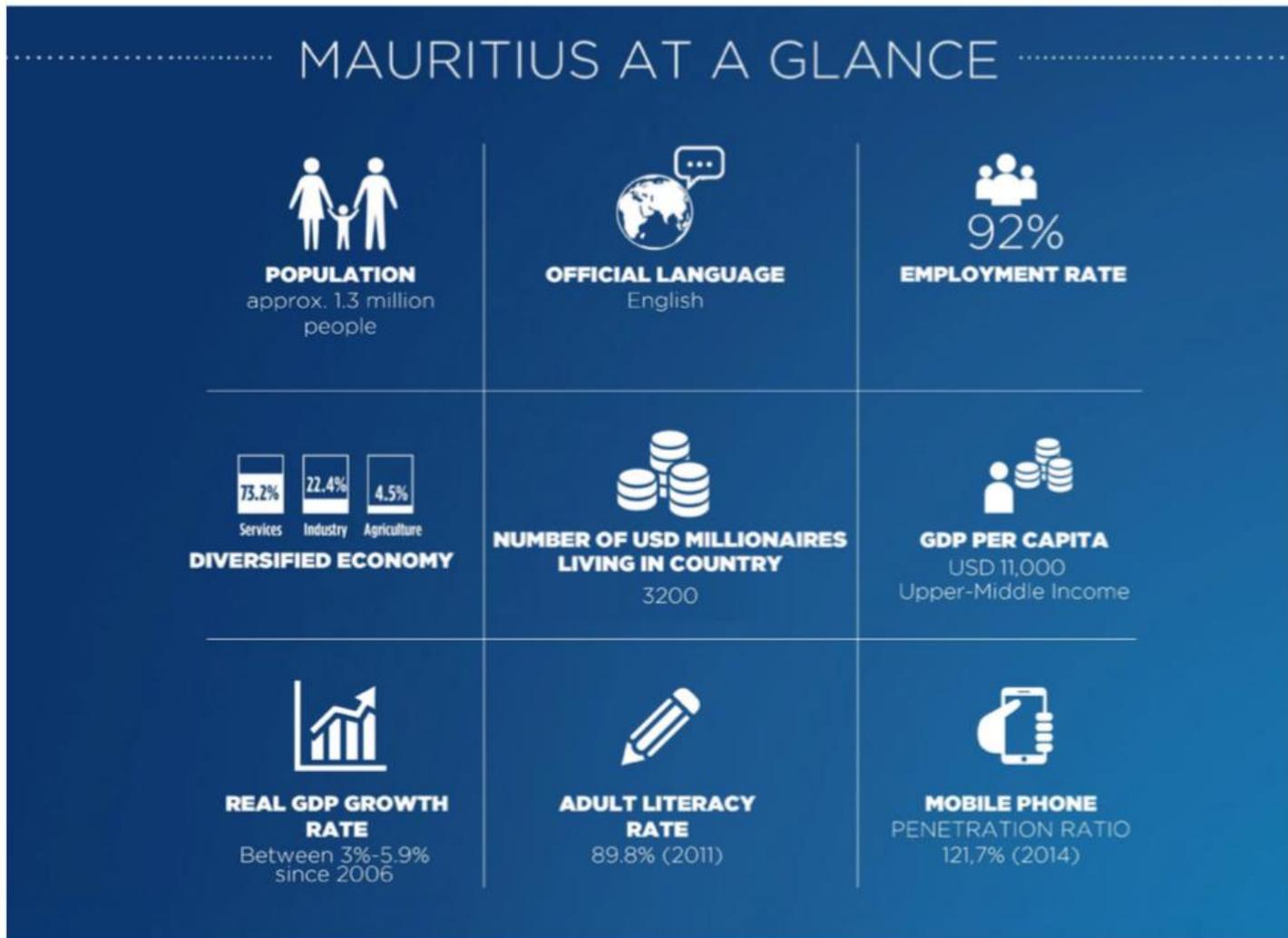
Controversy...

- According to a World Health Organization report, India has **only 4 doctors for every 10,000 people**; in Britain, by contrast, there are 18.
- In rural India, state hospitals have little money for **basic medical equipment** or for maintenance of buildings, which are often filthy and overcrowded.
- India has **less than one hospital bed and one physician for every 1,000 people**.
- With the public health system faltering, more people are opting to go to private services, **borrowing money or selling land** to cover the cost.
- Indian government has been criticised for trying to **capitalize on the medical tourism boom** at a time when "the medical system is failing its own people," with tuberculosis killing half a million people and easily treatable diarrheal diseases killing 600,000 each year in India.

MAURITIUS: A CASE STUDY



For those unfamiliar with Mauritius....



Medical Hub in the African Region

- Mauritius aspires to become a medical hub in the **African region**. From cosmetic surgery to dentistry to hair transplants, Mauritius is quickly becoming a go-to destination for medical tourism, and offers a **unique opportunity** for visitors to combine **healthcare, wellness and leisure** in a single trip.
- Mauritius has a large network of professional private clinics, each offering an exceptionally **high standard of care** for a range of **diverse procedures**, from cosmetic surgery, dentistry, or alcoholism rehabilitation, to hair transplants and fertility treatments.
- Private health centres and clinics are supported by **modern medical diagnostic centres and laboratories**, state-of-the-art **technology** as well as a **highly skilled pool of professional healthcare personnel**.
- Rejuvenating **wellness treatments** are also very popular in Mauritius. The island's peaceful, calm and beautiful environment makes it the perfect setting for therapies, massages, spas and other therapeutic exercises.

- According to the Economic Development Board (EDB), in 2016 **more than 18,000 foreign patients** travelled to Mauritius for both inpatient and outpatient procedures and the value of the Mauritian private health industry is estimated at around **MUR 2 Billion**.
- A **striking example**...*Centre de Chirurgie Esthetique* in the year 2000 had only 3 hair transplant patients. In 2016, the clinic had over 2500 patients, 85% of whom were foreigners (CNN Report, January 2018).

Attractiveness of Mauritius as a Medical Hub – At a Glance

- ❑ Strategic location in the Indian Ocean
- ❑ Exemption of registration duty on the purchase/ lease of land for the construction of infrastructure
- ❑ Exemption of VAT on construction of private hospitals/clinics, residential care homes/nursing homes
- ❑ VAT exemption on medical, surgical and dental equipment
- ❑ No customs duty on selected equipment, machinery and furniture
- ❑ 50% annual allowance on electronic and computer equipment
- ❑ 35% annual allowance on other plant and machinery
- ❑ 5% allowance on capital expenditure incurred on construction/extension of clinic
- ❑ Free repatriation of profits, dividends and capital
- ❑ No capital gains tax
- ❑ 100% foreign ownership allowed



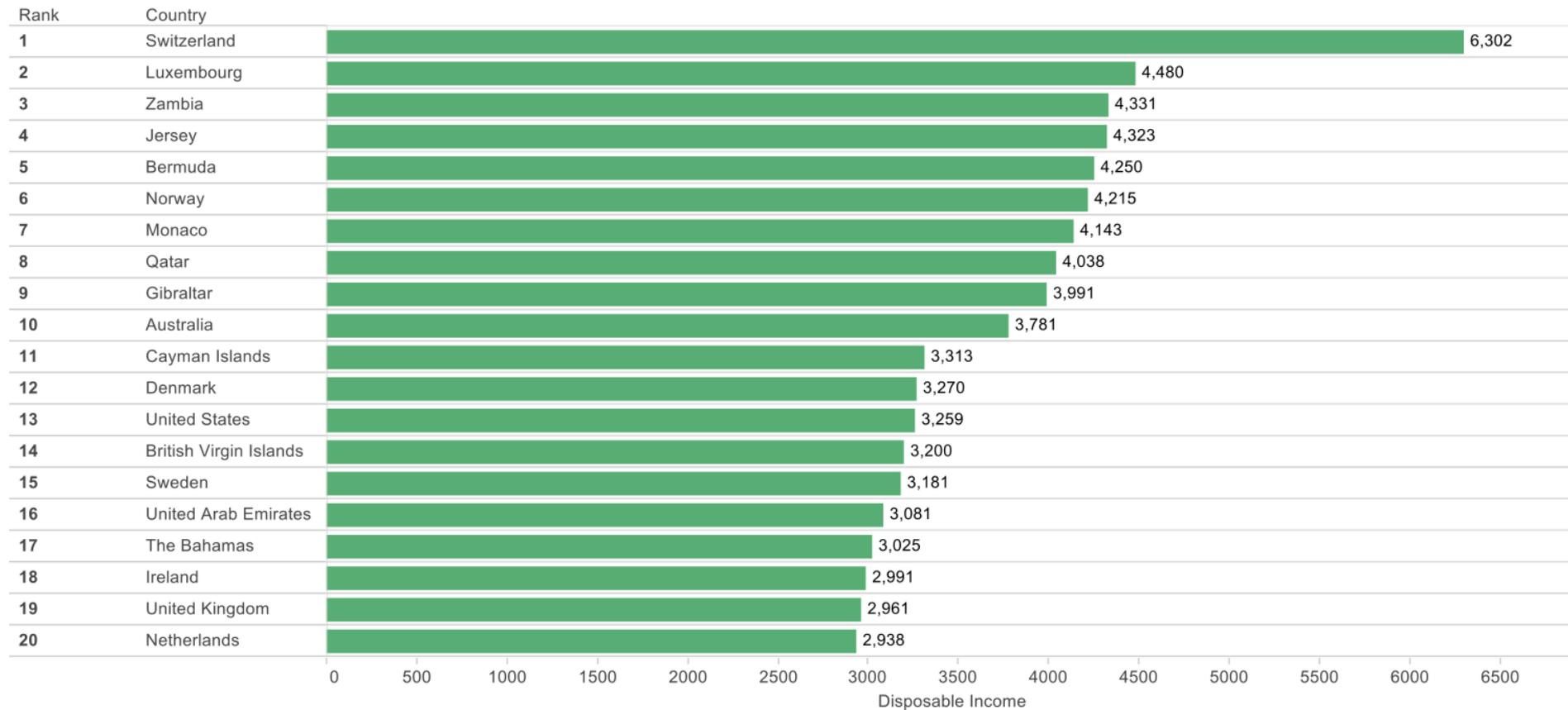
Investment Opportunities

- According to the EDB, **foreign investment opportunities** in the medical sector in Mauritius are as follows:
 - ▣ Specialised diabetes research and treatment centres
 - ▣ Specialised centres for elderly care & rehabilitative medicine
 - ▣ Plastic reconstructive surgery clinics
 - ▣ Clinics for dental surgery and dento-facial orthopaedics
 - ▣ Convalescence and pain clinics providing specialised care to patients suffering from acute and chronic conditions
 - ▣ Clinics specializing in sports medicine
 - ▣ Wellness centres and health resorts for rehabilitation

Global Demand

- Global demand for such **high-end and wellness-related** treatments is on the rise as **disposable incomes** increase. The wealthy and the rising middle class around the world are on the look out for ways and means to **beautify** themselves, aspiring to keep fit and healthy and enjoy the associated benefits of a long-haul holiday at the same time.
- It is also important to note that we are being faced with a **growing global ageing population**, which is willing to spend its disposable income on luxury holidays and wellness-related goods and services.
- Medical tourists who come to Mauritius originate from **Madagascar (28%)**, **Seychelles (15%)** **La Reunion (14%)**, **France (14%)**, **South Africa (8%)** and the **UK (5%)**.

Monthly Disposable Income Across the Globe (Table View)



Sources: NationMaster, Econometric Studios

Challenges

- From the International Travel and Health Insurance Journal (2011):

In the book The Idea of Justice, Amartya Sen voices the opinion: “Individuals sometimes do not realise how bad their health systems are. Someone raised in a community with many prevalent diseases and poor facilities may be inclined to view symptoms as being normal when they are actually clinically preventable.”

A major weakness of the Mauritian health system lies in its primary care provision, generally the first point of patient entry into the system. Most GPs, outside the hospitals, are in private practice with a vested interest in seeing that their patients, who are generally poorly informed, stay within the private system. All GPs working outside the hospitals are in private practice and charge for their services.

Controversy...

- The International Medical Travel Journal (IMTJ) reported that African countries were **losing huge amounts in revenue** from outbound medical tourists seeking treatment in places like India, stalling the development of local health care. These countries were attracting foreign patients and inbound medical tourism, and **driving out their own local population**.
- Africa is estimated to lose **over \$1 billion** a year on medical tourism abroad, according to World Bank statistics
- In 2017, Nigeria's President Buhari was criticized for receiving **healthcare in London**.
- We do not want **Mauritius** to fall into a similar situation.

Public-Private Partnerships – the best way forward to ensure greater inclusiveness and better access to Medical facilities?

- Recently, Welkin Hospital and Clinique Darné have been rebranded under C-Care. The CEO of C-Care, Olivier Schmitt, said in an interview to a local Mauritian newspaper (Le Defi), in May 2019:

How crucial is public private partnership in ensuring affordable healthcare in the region?

“A public-private partnership is not only crucial to ensure affordable prices but also accessibility to services that would otherwise remain exclusive. For example, our recent Newborn Screening apparatus that was recently launched at C-Lab will work closely with the Central Health Services to provide this service to a larger number of new parents, hence giving them a higher degree of reassurance in regard to the health of their infants.

The Lab Week that we organised a few weeks back also falls in the kind of activities that fosters a stronger entente between the public sector and the private sector. And it is not only in terms of governmental bodies but also NGOs who wish to collaborate with us.”

LEGAL CONSIDERATIONS



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- Inevitably, there will be cases of **medical negligence** and the question of **litigation** will arise.
 - What would be the **forum** for litigation?
 - If the patient has returned to their country of residence and he/she has **complications**, will his own system address them?
 - What about **insurers**?
 - What will be covered?

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- Who will check the **professional quality** of the medical staff at the tourist destination?
 - What **controls** are required to instil confidence in medical tourism?
 - Who sets the controls and what mechanisms will be set up for **monitoring**?
 - It becomes clear that medical tourism is not a panacea.
 - This **new era** of medicine will evolve – but will the Regulations also evolve simultaneously?
 - All this demonstrates that medical tourism is still a **work in progress...**

CONCLUDING REMARKS



- With a **growing global middle class** keen on keeping fit and healthy coupled with easy and fast air connectivity, medical tourism is on track to become an extremely important driver of economic growth.
- While it is the aim of all Governments to ensure universal health care from **pre-birth to death** for all their people, this aim is far from being realised.
- The progress of medical tourism is **unstoppable**. Destinations providing these facilities may be a few at present and the costs - despite the savings - may still be prohibitive.
- As more and more destinations come on stream and as **competition** forces start to bite, prices will fall and this will result in **improving access** for the common man to highly sophisticated medical care.

Does Medical Tourism have Ethical Considerations?

- The most **significant danger** with medical tourism is that it can give rise to a lucrative market for **organ trafficking**. Exploiting the **poor and the vulnerable** for the latter to have their kidneys or other organs removed for some money poses **serious ethical considerations**.
- There always will be people who will want to derive benefits/profits **unfairly**.
- The recent controversy about **birth tourism** demonstrates the creativity of people in looking for **loopholes** to beat the system.
- Illegal activities that have gained momentum as a result of these loopholes must be dealt with through appropriate **legislative measures** to protect both the medical trade as well as patients.

The Ultimate Requirement for Medical Tourism to Thrive in the most Ethical Manner...

- Governments need to adopt a **robust regulatory framework** to be able to **develop and sustain** an ethical medical tourism industry and to facilitate the private sector to deliver health care services which are **ethically motivated** and geared towards promoting **equality of access** to those services.

QUESTIONS





**THANK YOU FOR YOUR
ATTENTION**

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