

MEDICAL TOURISM WITHIN THE MEDICAL HUB POLICY: REVIEWING THE NEED OF A BALANCED STRATEGY FOR HEALTH INEQUALITY REDUCTION IN A THAI CONTEXT

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ABSTRACT:

Medical tourism is a growing global industry in the world today, with Thailand being one of the top destinations of medical tourists. Since 2003, the Thai government has initiated the Medical Hub Policy which was intended to make Thailand “the center of excellence for medical services within the region.” The policy has prompted large-scale development programs among private hospitals in Thailand, and the implementation of the policy is ongoing. However, besides the anticipated huge economic returns from the medical tourism sector, there are important concerns regarding potential health inequality among Thais as a result of it. This paper aims to highlight issues in health inequality such as reduced equitable access and quality of care due to medical tourism, and to suggest some implementable strategies that could be used to reduce them. Some of the issues causing health inequality are the public to private brain drain, rising costs of medical goods and services as well as quality of healthcare in public hospitals. Strategies proposed to overcome these shortcomings include the cross-utilization of facilities, national service for physicians, and industry-specific tax. In conclusion, strong political will is required to put in place concrete measures to prevent health inequality which is already growing in Thailand due to medical tourism. This will ensure that the economic gains of medical tourism are not offset by its social costs to the people of Thailand.

Keywords: Medical tourism, Health tourism, Health inequality, Thailand

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INTRODUCTION

Medical tourism is one of the newest economic drivers of many a national medical industry; especially so in the developing countries over the past decade [1]. With rapid globalization and the diminishing of national regulatory boundaries, as well as incentives from governments interested in promoting this new income-earner, patient-tourists are more able to cross borders for medical treatment today than ever before [2]. Generally, medical tourists are people who leave their own country to

another for the purpose of obtaining paid medical treatment, while also taking in the sights of the country that they are visiting [3]. Traditionally, this happened with people from less developed countries seeking advanced treatments at one of the developed countries; though increasingly today, the vice versa is true [4]. Thailand is among one of the nations’ most visited by medical tourists [5]. In 2012 Thailand earned approximately US\$ 4.5 billion from 2.5 million international tourists, up from around US\$3.2 billion in 2011 [6]. This huge revenue earner has been a great boost to the national economy, and accordingly the government via the Ministry of Public Health is implementing the Medical Hub

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Policy [6]. This policy is designed to be a catalyst in transforming Thailand into an “International Health Centre of Excellence”, making it the center of excellence for medical services within the region [6]. Its second strategic plan is currently in implementation from 2012-2016 and is intended to generate US\$ 6 billion in revenue by 2017 [6]. Efforts are being actively made to i) improve infrastructure both in private and public healthcare facilities, ii) increase quality parameters of local healthcare facilities to international standards iii) open up facilities across the country to medical tourists, iv) increased development of human v) develop home-grown medical device and pharmaceutical industries and vi) create a sustainable network of centres and industries able to fulfill the demand of international medical tourists [7]. Unfortunately there have been serious concerns on the negative impact of medical tourism on Thais [8]. Various authors have surmised that in the drive for increasing medical tourism, there is already a widening gap in the ability of Thai citizens to access medical services, increasing prices of medicines and medical goods and reduction in quality and standards in public healthcare facilities [7-9] Overall there is will be a large level of health inequality, which looks to worsen as the supply and demand for health tourism grows in Thailand [9]. This narrative review aims to explore various problems leading to health inequality as a result of the growth of medical tourism in Thailand and offers possible implementable strategies which may assist in reducing them.

Emerging issues in health inequality due to medical tourism

i). Public to private brain drain

The move of medical personnel from the public facilities to the more-lucrative private healthcare institution has always been a problem in many countries [10]. The surge in medical tourism for a destination country is always accompanied by the large rise in the number of private institutions providing expensive, exclusive care to these medical tourists [10]. These facilities have to draw on local skilled personnel, many of whom are serving in the public sector. At a sudden stroke there is a sudden loss of these personnel to the local populace, as they are working in facilities often prohibitively expensive to the general public [11]. The irony is that many of these personnel, especially doctors, were trained by public subsidization and thus this is an inequitable use of public resources [11]. Thailand

is a country which already has a critical shortage of doctors and other skilled medical personnel [12]. The disproportion of medical personnel, especially doctors and dentists, is also worsened by an urban-rural divide, with many rural regions in the northeast still having a critical shortage [8]. Medical tourism, clustered around private facilities located in the cities, will worsen existing conditions [8]. Though there have been counterarguments an adequate number of doctors will be trained in the years to come [13], ‘pull’ and ‘push’ factors which remain unchanged offers a clear prediction that there will be little change, with doctors continuing to leave public facilities for plush urban private centres [14]. Another counterargument to the charge of health personnel shortage is that upper and upper middle-class locals, many of whom use these private facilities built for medical tourism, continue to be seen by locally-trained doctors [10]. Hence there is not a total loss for the public health system in terms of loss of personnel [10]. However even in Thailand, research shows doctors spend more time consulting with foreign patients compared to their sessions with Thais [8]. Leaving the fact that these doctors are now only accessible to a small wealthy segment of Thai society aside, the significant loss of consulting time leaves them accessible to a definitely smaller group of patients, widening the gap of inequality [8]. Another factor of additional concern is the type of doctors leaving for private practice [15]. Medical tourists, as cash-paying patients, often demand for the most experienced, highly-skilled specialists to perform complex procedures sometimes unobtainable in their own country [15]. Accordingly, the doctors who then are recruited into private hospitals from public service are the most senior consultants or sub-specialists [16]. Not only are their services then lost to the public sector patients, but also their expertise is not able to be passed down to other, more junior personnel [16]. This is a situation already being experienced in Thailand [17]. The medical hub policy focusing on medical tourism may worsen this already existing condition and cause a further deficit in skills and expertise in the public sector.

ii). Increased prices of medical goods and services

Private facilities, by their nature need to be competitive in order to attract customers. Private hospitals are no different [18]. In their efforts to court customers, expansion, beautification and upgrading efforts have been paramount in Thailand alongside growth of the medical tourist industry [18]. Prices, though, have also been on the rise, as

these hospitals provide increasingly exclusive, competitive services and care for foreign medical tourists without being as concerned for the local market, who are incidental users [19]. Personalized nursing care, gourmet meals, satellite television and expensive furnishings have fast become commonplace in the 'hotel-like' private hospitals in Thailand, with the estimated amount of resources used to treat a foreign patient being almost five times greater than would be spent on a Thai [20]. A growing number of medical tourists willing to pay prices still much cheaper than their home countries will cause increasingly higher prices in medical goods and services, as seen in countries like India [21]. This ends with locals being effectively priced out of the system as increasing foreign demand drives up prices [21]. In their effort to gain patients, private hospitals also invest in new, expensive treatments and technologies to be able to attract medical tourists seeking for them [22]. Locals visiting these centres are also pushed to 'purchasing' these expensive, not-necessarily needed services as a classic example of 'supplier-induced-demand' as these centres try to recoup their initial investments [15]. The shift to practice increasingly complex medicine with diagnosis and treatment using advanced technological equipment also fuels the rising prices of medical goods and services [16]. The rising price of healthcare, to as much as 25% in the past five years in countries like Singapore has caused even its own citizens to be priced out of the market, seeking healthcare in Malaysia which is still much cheaper [23]. Similarly, increased medical tourism may also cause a rise in private healthcare costs enough to price Thais' out of their own private healthcare market and force them to seek cheaper care in the private healthcare markets of other lower-income countries. Ironically, this will then become yet another form of medical tourism, which is the current trend for residents of high-income nation who come to Thailand for cheaper care than that available in their home country [4].

Quality issues in public healthcare facilities

Although Thailand has embraced the Universal Health Coverage scheme since 2001, the competing demands between the needs of the public healthcare industry and the industry push to develop the medical tourism sector may be in conflict with one another; creating a two-tiered health system [13]. Public healthcare services are increasingly finding it difficult to pay for the comprehensive health coverage programme, and are being overburdened

as well as under-staffed in many rural areas; due to the growing dual burden of communicable and non-communicable disease and an aging population [24]. Healthcare costs have also risen due to efforts to stem the brain-drain as the Thai Ministry of Public Health (MOPH) almost doubled the salaries of public doctors in 2008-2009, to not much avail [6, 12]. In times of economic slowdown, as seems to be occurring currently, these rises in expenditure (i.e. salaries) will definitely translate into lesser resources that can be allocated to provision of healthcare services and decrease overall resource allocation if it has not happened already [16]. The public-private gap in terms of infrastructure cannot be more aptly described than by the fact that two thirds of all MRI machines in Thailand were in private centres in Bangkok alone; imported with government help to upgrade their facilities in line with the policy of attracting medical tourists [25]. The lack of both financial and human resources has already forced the MOPH to restructure on service provisions in certain areas and delay in implementation of certain programmes, as well as mulling the introduction of additional user fees [26]. The efficiency-equity compromise that the MOPH may be forced to seek as a result of these conditions will continue increasing inequality and widen the gaps in healthcare equity; in terms of system accessibility for those of the lowest socio-economic groups, those with debilitating diseases and also those from the rural areas [26].

Implementable strategies to reduce health inequality

The crux of the problem pertaining to medical tourism in Thailand is the fact that it must balance two critically important matters; i) the economic gains as obtained by the influx of medical tourists and the money that they will spend in Thailand ii) the social loss due to the widening equity gap in delivering healthcare for its citizens [6]. Solutions, therefore, need to be focused on providing strategies that can balance the demands of both these sectors. The most important point of note is that the onus of these strategies are on the shoulders of the government, who has to play a firm role in implementing these policy-strategies if it is indeed of the mind to pursue its dual track health policy of providing equitable health access to all while earning revenue from medical tourism.

Cross-utilization of facilities

As elaborated above private healthcare facilities

in Thailand today consist of brand-new, state-of-the-art technologies built to attract foreign medical tourists. These facilities similarly are often lacking in public facilities, or if present, are old and outdated. One strategy to reduce health inequality would be to mandate required hours for cross-utilisation of these facilities for public patients [6,16]. This policy could be made into law, for example, with annual renewal licenses, for example, being tied to this parameters of cooperation. This cross-utilisation would enable public patients who need to wait for a long time for an imaging appointment, for example, to obtain an MRI at a private hospital during certain hours when it was not in use. The private hospital could then charge this service to the government, albeit at a negotiated, discounted rate. Certain government hospitals could then be assigned private partners to share some of their workload burden in terms of diagnostics, for example. Although this would require strict scheduling and allotment tasking from both parties, this could be an easily implementable option. It would not be such a radical strategy to undertake as currently Bumrungrad offers charitable treatments at subsidized prices for low-income patients [27]. Similar programmes have been undertaken in Thailand such as the cataract surgery programmes in private hospitals under the civil servant medical benefit scheme [28]. It must be reiterated, however, that strict continuous enforcement and follow-through are essential to ensure success of such a strategy, with contractual obligations clearly defined and enforceable by law [29]. Similar ideas involving contracting of the private healthcare sector to provide government services has worked well in Europe [29]. This is because the private sector has been known to abandon outright agreements on task-sharing with the government [27]. There have been numerous cases of Indian private healthcare groups receiving land and subsidies to build hospitals from local governments in return for providing free healthcare for low-income patients, but instead reneged on their deals to do so [27, 30].

National service for physicians

In many countries, practicing physicians are required to renew Annual Practise Licenses, subject to them attending Continous Medical Education (CME) courses or other educational programmes. Another strategy to reduce health inequality in brain-drain would be introducing a national service programme of sorts for Thai physicians, tied to renewal of the Annual Practice Licenses. While the

current compulsory service programme is for new doctors, this National Service programme could come into effect for all doctors in private practice, irrespective of years of service. Under such a programme, privately-working doctors would be required to serve a number of hours per month at a public healthcare facility. This measure could be introduced as a form of self-regulation by medical professional bodies, such as the Thai Medical Council or specialist associations, and tie accreditation or certification such as specialist license renewal with the requirements for hours served in the public sector [31]. With proper planning and scheduling, private doctors could be assigned in rota to a particular facility with visiting physician status with particular scheduled hours and patients allocated to him/her during those hours. Dual practice for physicians is common and allowed for in Thailand, though this proposed measure would be a role-reversal of sorts for private physicians [32]. Research shows that with proper regulations in place to ensure equity and efficiency, dual practice is a workable solution to improve quality of care and equity in the public healthcare sector [33].

Industry-specific tax

Similar to the sin tax on the tobacco industry which was then utilized for health promotion in Thailand [34], serious efforts should be taken to impose a form of taxation on the profits earned from health tourism which could then be channeled back into reduction of health inequality created by this sector in the first place [6,13]. The money needs to be earmarked separately and spent on building better health infrastructure or even to help fund the above two strategies, which may prove to be a win-win situation for all parties. Once again, this requires a strong resolve from the government to impose the tax on private healthcare facilities. Evidence shows that globally the private healthcare sector has strong lobbies and it would not be a far stretch to hypothesize would advocate against such a tax to the government of Thailand [35]. Indeed, many countries seem to be doing the exact opposite of a medical-tourism tax, preferring rather to provide subsidies and other tax-free encouragement to this sector in order to enable it to compete with other countries [16]. This is indeed an irony as then greater national (and thus health) resources are spent for foreigners in the private sector rather than locals; further driving inequity gaps [16]. Countries such as Malaysia provide tax exemptions on services

provided to foreign patients [24] while the United Arab Emirates has developed a tax-free health services zone to encourage medical tourism services [36].

Recruitment of foreign personnel

In line with the ASEAN Economic Community (AEC) 2015 introduction, some authors have also suggested the recruitment of foreign medical personnel to fill the shortage, especially in private hospitals serving medical tourists [6, 14]. This is especially so since with AEC 2015 there will be an allowance for foreign doctors to work in Thailand from the other ASEAN countries [14]. Foreign medical personnel will decrease the internal brain-drain and also allow public doctors to continue working in public hospitals. With strict regulatory mechanisms, these foreign personnel could even be prohibited from working outside their primary places of practice, disallowing the idea of competing for patients with local personnel [6,14] However, feedback for this strategy has been poor with opposition from many quarters including national associations [12,17], thus not allowing it to be implemented.

CONCLUSION

The medical tourism sector has proven to be lucrative enough to the government and is an important revenue-earner as it complements Thailand's existing tourism sector. As it continues to grow however driven by both consumer demand and supplier need for profits, there are realistic worries on how this growth will further impact provision of healthcare to Thailand's own citizens. Some authors espouse the reduction or the closing off the medical tourism sector in order to protect equitable access but as is clear, this may be nothing more than wishful thinking [1, 16, 37]. As detailed above, some concrete strategies can be carried out to balance the boat a little and reduce health inequality. However these strategies hinge solely on a strong determined government who can put proper regulatory structures into place to ensure the success of these measures. Only then can sustainable long-term growth of the medical tourism industry in Thailand genuinely benefit the nation as a whole without devastating consequences to the healthcare of its people.

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