

More Patients Seeking Medical Care Outside U.S.

BY ERIK GOLDMAN
Contributing Writer

WASHINGTON — The emergence of medical centers in Asia, Latin America, and Eastern Europe that provide state-of-the-art procedures with a human touch and a gentle price tag has many U.S. citizens flying abroad to seek care they might have gotten at their local hospitals.

Medical travel—don't call it medical tourism anymore—has increased rapidly in recent years. In principle, there's nothing really new about it. For years, wealthy individuals from all over the world have flown to the United States or Western Europe for advanced procedures not available at home.

What is new is the ease of medical travel, the numbers of people getting treated away from home, and the direction: away from the United States and toward Asia, Eastern Europe, and Latin America.

Last year, roughly 150,000 Americans headed overseas for surgical procedures, estimated Josef Woodward, author of "Patients Without Borders: Everybody's Guide to Affordable, World-Class Medical Tourism" (Chapel Hill, N.C.: Healthy Travel Media, 2007) the first, but surely not the last, popular book on the subject. His estimate is conservative: some observers put the number at closer to half a million.

Roughly 60,000 Americans have sought care at Bumrungrad International in Bangkok, widely recognized as one of Asia's leading hospitals, according to Curtis Schroeder, group CEO of Bumrungrad.

"Why travel to a hospital you can't even pronounce, in a country you've never visited, with doctors who have strange names you can't spell? There are several reasons: geopolitical factors; economic crises; lack of access to care, which is especially true for uninsured Americans or people from Western Europe who do not want to wait for services provided through their national health care systems; perceived lack of quality of care in their home countries; and family microeconomics," said Mr. Schroeder, who previously was with Tenet Healthcare Systems, opening Tenet hospitals in several different countries.

Health care abroad is an appealing option for moderate-income Americans who are not insured. But even those with insurance are feeling the pinch and looking overseas. Mr. Schroeder cited a Time magazine survey indicating that 61% of uninsured Americans polled would travel 10,000 miles if they knew they could save \$5,000 on a major medical procedure. Among those with insurance, the number was 40%.

"These are the first wave of medical tourists," he said.

U.S. Standards ... Better

According to Ori Karev, head of United-HealthGroup's Ovations program to improve health in people over age 50 years, there are 110 hospitals around the world accredited by the Joint Commission International, that provide as good if not better quality health care than what is available at top U.S. hospitals. JCI uses the

same criteria as the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), and serves the same general purpose.

JCI-accredited hospitals, many of which are run as joint government-private sector partnerships provide services at far lower cost than U.S. hospitals. And American- or European-trained clinicians at JCI-accredited hospitals are performing cardiovascular surgery, organ transplants, and hip and knee replacements with outcomes equivalent to any U.S. center and adverse event rates comparable with or even substantially lower than at U.S. hospitals.

Mr. Woodward estimates Americans traveling for health care can expect to save between 15% and 85% on the cost of equivalent care in the United States. Savings vary widely with the type of procedure, the country visited, and any add-ons such as vacation time. But for most major procedures the savings are massive. (See box.)

Brazil, Costa Rica, and South Africa currently are hot destinations for cosmetic procedures; Costa Rica, Mexico, and Hungary are magnets for good, affordable dentistry, and India, Thailand, Malaysia, and Singapore are the best choices for major surgeries, including heart surgeries, organ transplants, and orthopedics, according to Mr. Woodward's book.

Friendly Care, Fine Food, Feng Shui

Doctors in Asia or Latin America spend up to an hour per consultation, and routinely offer their personal cell phone numbers to patients and their families. Concierge services, four-star meal plans, and hotel-style accommodations are the rule, and travel packages often include limousine transport to and from the airport and clinic. The generally slower pace and the traditions of hospitality found overseas also may appeal to Americans shell-shocked by the frazzling pace and impersonal nature of U.S. health care.

Before 1997, the U.S. and Europe were the major recipients of international medical travelers, while Singapore was the major hub for Asia, explained Bumrungrad's Mr. Schroeder. In 1997, the economic crises in many Asian countries made price of care much more of an issue, so more Asians began to travel beyond their home borders for care.

After the attacks of Sept. 11, 2001, an increasing number of patients from the Middle East began traveling to Asia for care. "They used to go to America or Europe, but visas became problematic, so they started going to Thailand, Singapore, and India," Mr. Schroeder said.

Medical Outsourcing

According to Mr. Schroeder, "health care costs are capsizing American businesses. They're starting to look at international health care as a form of outsourcing."

He noted that Bumrungrad recently signed a landmark deal with Blue Cross of South Carolina for a program called Companion Global Healthcare, which would provide an alternative for people wishing to seek overseas health care.

"It is essentially a pilot project. There's

no commercial insurance product attached to it yet," Mr. Schroeder said. The program provides subscribers with access to a specialized travel agency in Virginia that makes all arrangements for medical travel to Bumrungrad, and coordinates after-care through a network of South Carolina physicians.

But it is only a matter of time before U.S. insurers start actively driving patients overseas, predicted Jeffrey Lefko, a Chicago-based health care consultant who is working with Parkway Group Healthcare, a Singapore-based hospital system, to develop its U.S. referral base.

"A number of U.S. companies have started to work with self-insured plans to make procedures in Singapore a viable option. You're going to see much more of the insurance industry get interested in this," Mr. Lefko said in an interview.

Further growth of medical travel, especially if pushed from the home front by U.S. insurers, could have a major impact on American health care systems, but Dr. Jason Chin Huat Yap, medical director of the Singapore Tourism Board, said he believes a lot of the unease surrounding these trends is unwarranted.

"Singapore's share of the global health

care economy is about \$12.6 billion. The U.S. share is about \$2,000 billion. Even if you quadrupled our capacity and you threw in India, too, we're not even able to come close to providing health care for all Americans. It's still a very small fraction," he said at the World Health Care Congress.

He added that a little bit of healthy competition from abroad, "could have a potentially positive structural impact on how the U.S. delivers health care services."

Mr. Lefko said he believes the emergence of world-class health care systems across the Pacific will likely give U.S. hospitals and clinics a much-needed kick in the bedpan.

"Already 500,000 Americans each year are leaving the U.S. for health care reasons, and this is going to grow. U.S. hospitals and doctors will complain, but the reality is, U.S. hospitals have had plenty of time to straighten out their acts. They've had plenty of opportunities to create better, more economical health care services. Medical tourism's going to level the playing field. I've been in the hospital business for 35 years, and I've seen all sorts of facilities and operations," Mr. Lefko said. "I wouldn't hesitate to go to any of the hospitals in Singapore." ■

A Medical Travel Hot Spot: Singapore

When it comes to medical travel, Singapore presents a classic case of supply and demand, Dr. Yap said at the World Health Care Congress.

Singapore's tertiary-care hospitals have excess capacity that they're trying to fill. "We have a very small population, and on our own we are not able to maintain the state-of-the-art services. So our approach is to fill the service volume with international patients. That way we can acquire the technology, keep the subspecialists, and provide the highest quality services. We're led by the Ministry of Health in this. It is not just an economic enterprise, it is about providing quality health care for everyone," said Dr. Yap, medical director of the Singapore Tourism Board.

Singapore's hospitals are considered the best in Asia, and the sixth best in the world. "We have one-third of all the JCI accredited facilities, and JCI standards are equivalent or even more stringent than JCAHO's," Dr. Yap said. "We have lower ICU/CCU infection rates than many centers in the U.S. cities. Health care in Singapore is on par with most U.S. hospitals or better."

Kamaljeet Singh Gill, general manager of the National Health Care Group, representing several tertiary-care centers in Singapore, explained that his country has a national single-payer health care system, with tiered pricing based on need. "If you have money you pay, if you do not have money you don't pay." All hospitals in the country are government owned, and they're equivalent to the Mayo Clinic, "but much less expensive."

Each hospital in Singapore serves

about 1 million people annually, 1% of whom are international patients. He said Americans are still in the minority, representing only about 20% of all international business. But the number is growing. "Even without major marketing effort, we're seeing an increase in U.S. and U.K. patients."

He stressed that his group is not competing with India or Thailand, and is not promoting "medical tourism," but rather comprehensive affordable state-of-the-art medical services. In addition to treatment and procedures, hospitals in Singapore offer international visitors a wide range of holistic health services, fresh healthy Asian-style food, art and music therapies, and well-designed healing environments of a sort rarely found in U.S. facilities.

Dr. Yap added that this approach represents a strong shift away from the stereotype of medical tourism, which used to mean elective or commodity surgery at facilities with uncertain quality records, questionable marketing methods, and an absence of care continuity.

"Medical travel involves patients going abroad for needed medical care, with minimal leisure components. This is essential health care that, for whatever reason, the individual cannot access at home," he stressed that medical teams in Singapore endeavor to be part of the normal care continuum and to develop good interconnectivity with the patient's doctors at home. "We prefer that physicians in the patients' home country refer the patient to us. We're not trying to pull patients away from their home doctors."