



TRENDS IN ECONOMIC CONTRIBUTION OF HEALTH TOURISM TO INDIAN ECONOMY

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Abstract: *Indian tourism sector is one of the most vibrating sectors of the Indian economy. It is not only a significant contributor to GDP and employment opportunities, but also provides health services to domestic and foreign tourists.*

Now a day's people are more aware of the importance of health. They are conscious in maintaining a healthy body, mind and soul. People visit tourism destinations normally for leisure and recreation. India has competition from other health tourism countries like Thailand, Jordan, Malaysia, South Africa, USA and UK etc. The purpose of visiting a tourism destination may vary depending up on the nature and interests of tourists. Hence tourism destinations design variety of tourism products so as to cater the needs of tourists having different interests. Health tourism is a niche tourism developed by the competing tourism promoting countries in order to attract people travelling with the prime purpose of getting healthcare.

In this context the present study makes an attempt to analyze the economic contribution of health tourism sector in India. The analysis is based on the secondary data collected from the published sources. The results indicate that health tourism quality care, relatively cheaper services compared to the other countries, package deals and cheap services from the tourism and hospitality sectors are the biggest attraction of health tourism in India.

Keywords: *Health tourism, Price and Facilities*

INTRODUCTION

Health tourism is also known as medical tourism. Medical tourism often refers to travelling to other countries to obtain medical, dental and surgical treatment etc. It denotes the increasing tendency among people to travel in search of more affordable health options often packaged with tourist attractions.

Medical tourism in India is the fastest growing segment of tourism industry. India ranks second for medical tourism in the world. The city of Chennai attracts around 45% of medical tourists from foreign countries.



Health tourism is the sum of all the relationships and phenomena resulting from a journey and residence by people whose main motive is to preserve or promote their health. They stay in a specialized hotel which provides the appropriate professional know how and individual care. They require a comprehensive service package comprising physical fitness, beauty care, healthy nutrition, diet, relaxation, meditation and mental activity and education.

Health tourism is highly promoted by big corporate hospitals in developing countries by providing high quality medical services at cheaper prices to patients from industrialized nations. Health tourism is projected as a new segment in travel and healthcare business. Globally, medical tourism is said to be US \$ 40 billion industry. The main attractions of health tourism are cost effectiveness and a chance to enjoy the tourist products of health tourism destination during recuperative period.

REVIEW OF LITERATURE

Several studies have been conducted world over focusing on different aspects of service sectors. Some of these studies focusing on the medical/health tourism and economic growth of tourism industry are summarized below.

Karthik et al. (2012) examined the role of tourism industry in economic development of India. This paper attempts to evaluate the role of tourism as one of the service industries in India and its impact on the overall economic development of the country. Tourism industry in India is growing and it has potential for generating employment and earning large amount of foreign exchange besides impacting the country's overall economic and social development. This paper makes an attempt to provide an in-depth analysis of negative and positive impacts of tourism industry in India.

Suman Kumar Dawn and Swati Pal (2011) study on medical tourism in India: Issues, opportunities and designing strategies for growth and development. The paper identifies the strengths of India's medical tourism service providers and points at a number of problems that may reduce the growth opportunity of this industry. This paper focuses on the key issues and opportunities possessed by Indian medical tourism sector that enable it to overcome domestic and international barriers on upgrading its medical services. Finally,



this paper analyses and concludes the main reasons why the developing country like India attracts foreign tourists for the medical treatment.

OBJECTIVES OF STUDY

1. To examine the potential and growth of medical tourism in India.
2. To examine the contribution of health tourism to Indian economy.

METHODOLOGY

The paper is mainly based on the secondary data. The secondary data were collected from various published sources like books, journal, Madras school of Economics, Indiastats.com and Ministry of Indian Tourism.

SCOPE OF HEALTH TOURISM AND PRESENT STATUS IN INDIA

Health Tourism holds immense hope. The Indian systems of medicines, i.e. Ayurveda, Yoga, Panchakarma, Rejuvenation Therapy, etc. are among the most ancient systems of medical treatment, of the world. India can provide Medical and health care at international standard at comparatively low cost. Southern States of India, especially Kerala, has developed health tourism as one of the products for the promotion of tourism in Kerala. Most of the hotels/resorts are coming up with the Ayurveda centers as an integral part. Most of the foreign tourists are now coming to India only for Ayurveda. The leading tour operators have included Ayurveda in their Promoting health tourism worldwide.

CONCEPTS OF HEALTH TOURISM

Health tourism comprises of two concepts of healthcare and tourism and it involves a combination of resources of healthcare and tourism. A health tourism destination highlights its healthcare resources that give wellness and cure and tourism attractions that give peace of mind and relaxation. Health tourism is becoming a preferred form of vacationing as it covers a broad spectrum of medical services and mixes leisure, fun and relaxation together with wellness and healthcare.

FACTORS DRIVING HEALTH TOURISM IN INDIA

- Skilled physicians and specialists, many, with Indian and international experience.
- High quality nursing capability providing high or equivalent standards of medical care as in patient's home country.



- Use of modern medical technology, high-quality implants and internationally accepted medical supplies.
- Strong value proposition on cost, quality of treatment and services.
- Diverse geography with numerous tourism destinations to suit the patient's schedule and health.
- No waiting period for international patients - a key constraint for surgical procedures in home country.
- Unavailability of reliable cure or facilities for treatment in home country.
- Emergence of multi-specialty hospitals in major Indian cities.
- Favorable exchange rates and cheaper international air-travel.
- Widespread use of English Interpreter services also available.
- Use of alternative medicine, wellness and rejuvenation programmes for complete healing.
- Growing local insurance market and tie-ups with international medical/travel insurance providers.
- International banking and widespread use of plastic money.
- Modern hospital and hotel facilities, good air and surface transport, developed telecommunications network and improving tourism infrastructure.
- Abundant and easily available information on India and, hospitals and tourism industries.

SPECIFIC TOUR PACKAGES FOR MEDICAL TOURISTS IN INDIA

Indian Government is launching various schemes and programmes to promote health tourism and inviting foreign and private investors to invest in hospitals and accommodation sector. According to a study 75- 80% of health care services and investments in India are now provided by the private sector. India is granting various incentives and tax rebate to various pharmaceuticals industries to provide medicines, surgical equipments, and other medical facilities. Various specific tour packages available to medical tourist are as follows.

1. Bone Marrow Transplant, Brain Surgery and Cancer Procedures (Oncology) and Cardiac Care
2. Cosmetic Surgery and Dialysis and Kidney Transplant



3. Drug Rehabilitation
4. Gynecology and Obstetrics
5. Joint Replacement Surgery
6. Nuclear Medicine, Neurosurgery and Trauma Surgery
7. Gall Bladder stones surgery and Hernia surgery
8. Hip-Knee replacement surgeries and other orthopedic surgeries
9. Heart surgery packages like Cardiac Surgery and Cardiology, Open Heart Surgery
10. Treatments of different skin problems including skin grafting etc

INDIA AND OTHER COUNTRIES PRICE STRUCTURES OF HEALTH TOURISM

In health tourism quality care, relatively cheaper services compared to the other countries, package deals and cheap services from the tourism and hospitality sectors are the biggest attraction of health tourism in India. The below table summarized the some diseases and its cost conditions of various countries.

Table: 1 Comparative Costs in Health Tourism (US\$)

Countries	Coronary artery bypass surgery	Bypass surgery, heart valve replacement	Hip replacement	Knee replacement	Face lift
Costa Rica	24,100	30,000	11,400	10,700	4,900
France	33,100	33,137	15,000	17,000	12,300
India	7,000	9,500	7,200	4,300- 7, 200	3,100-4,800
Malaysia	12,000	13,400	7,500	12,000	6,400
Panama	10,500	13,500	5,500	7,000	2,500
Singapore	16,300	22,000	12,000	9,600	6,250-7,500
South Korea	31,750	42,000	10,600	11,800	6,650
Taiwan	27,500	30,000	8,800	10,000	8,500
Thailand	22,000	25,000	12,700	11,500	5000
UAE	40,900	50,600	46,000	40,200	-
UK	43,000	90,000	13,000	52,000	13,000
USA	70,000-133,000	75,000-200,000	33,000-57,000	30,000-53,000	10,500-16,000

Sources: Indian Medical Travel Association, IMaCS Research, Medical Tourism websites

The above data indicates the medical price differentials of various countries. India is a country that can give lot of medical facilities to foreigners from all over the world. The low cost services are factors which influences the health tourism. The price differentials of various procedures for Singapore, Thailand and India with the USA reveal the economic



advantage offered to interested patients by India. Here compared to the other countries Indian medical health expenditure is very low, so it could be help of more number of tourist's attraction to health tourism in India.

Table:2 Financial assistance granted under market development assistance to various medical/ wellness tourism stakeholders in India (2011-2012 to 2014-2015 up to June 2014)

Year	Amount Reimbursed (in Rs)
2011-12	15,26,759/-
2012-13	1,91,3018/-
2013-14	10,27,970/-
2014-15 up to 30.06.2014	70,69,535/-

Source: Indiatats.com

The data shows that the financial assistance granted to medical, wellness tourism under market development assistance scheme in India during 2011-12 was Rs 15,26,759 and it increased every year. In the year 2014-2015, Rs.70,69,535 financial assistance was granted to Indian medical/wellness tourism. This investment helped in the creation of employment in medical tourism.

REASONS FOR VISITING THE TOURIST PLACES

In an attempt to understand how many tourists are visiting the tourist destinations exclusively for the sake of its heritage, medical, cultural and religion value and how many are combining with their other activity.

Table: 3 Foreign Tourist Arrivals Purpose of visitations to India (2013)

Purpose of Visitations	Percentage
Leisure, Holiday and Recreation	30.3%
Visiting Friends and Relatives	25.9%
Business and Professional	20.9%
Medical Treatment	3.4%
Education	1.9%
Others	17.6%
Total	100%

Source: Government of India Ministry of Statistics and Programme Implementation

Central Statistics Office, Research & Publication Unit, New Delhi

From the data presented in table 3 it is clear that 30.3% are coming exclusively either to know the leisure, holiday and recreation, 25.9% are visiting friends and relative's home at the tourist destinations and 20.9% business and professional tourism visitors. Only 3.4% of



medical treatment, 1.9% of education purpose and 17.6% other purpose of like heritage and adventure and conference and culture etc.

STATEWISE HEALTH TOURISTS IN INDIA

In terms of attracting health tourists also some states have an advantage. The following data reveals top ten states of India in number of health tourist visitors during 2013-2014.

Table: 4 Status of health tourists of top 10 states in India (2013-14)

Name of the states	Percentage of health tourists
Maharashtra	28.9
Tamil Nadu	15.7
Delhi	10.6
Uttar Pradesh	9.4
Rajasthan	7.2
West Bengal	6.7
Kerala	3.7
Bihar	3.6
Himachal Pradesh	2.5
Goa	2.5
Total top 10 states	90.3
Others	9.7
Total	100.0

Source: Madras school of Economics

The above data shows that in the status of health tourist arrivals to Maharashtra stood first with 28.9% of the total tourists to India. The next important source of tourist arrivals is Tamil Nadu with 15.7% of the tourist arrivals. Other important states include Uttar Pradesh, Delhi, Rajasthan, West Bengal, Kerala, Bihar, Himachal Pradesh and Goa. Goa stood tenth in the list. All the ten important states represent 90.3% health tourists and the remaining states represent 9.7% of the total health tourists in India.

STEPS TAKEN BY MINISTRY OF TOURISM TO PROMOTE MEDICAL TOURISM

The Ministry of Tourism has taken several steps to promote India as a Medical and Health Tourism Destination, which are follows:

1. Indian Healthcare Federation, a Non-Governmental organization affiliated to the Confederation of Indian Industry, on advice by Government, has prepared a guide on select Indian hospitals of the country for health tourism 'purposes. It has been placed on the Website of the Ministry of Tourism i.e. www.incredibleindia.org for wider publicity.



2. Brochure, CDs and other publicity materials to promote medical and health tourism have been produced by the Ministry of Tourism and have been widely circulated for publicity in target markets.
3. Medical and health tourism has been specifically promoted at various international platforms such as World Travel Mart, London.
4. A new category of 'Medical Visa' has been introduced, which can be given for specific purpose to foreign tourist coming to India for medical treatment
5. Guidelines for accreditation of Ayurvedic and Panchkarma Centres have been circulated to all State Governments for implementation. These have been placed on the website of Ministry of Tourism i.e. www.incredibleindia.org for wider publicity.
6. Yoga, Ayurveda and Wellness has been promoted over the last two years in the print, electronic, internet and outdoor medium under the Ministry of Tourism's "Incredible India Campaign",
7. Brochures and CDs on Body, Mind and Soul covering the traditional system of medicine have been produced and circulated extensively by the Ministry of Tourism.

CONCLUSION

Health tourism plays a significant role worldwide and brings an appreciable proportion of revenue to India in the recent decades. The further of health tourism or medical tourism in India seems promising as the industry provides enormous revenue to Indian economy. Indian government needs to give attention to the basic health needs of her own citizen and hence perhaps limit expenditure on medical tourists and focus on the health of own citizen. If health tourism industry is given clear guidance and right direction from the government and partners, then it can contribute towards the Indian economy on one side and towards the development of the life standard of local on the other side.

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