
Madhya Pradesh - A Medical Tourism Destination

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ABSTRACT:

Tuesday: Kneecap replacement, Sunday onwards: Recovery on Kovalam Beach, India or may be in Khajuraho, Madhya Pradesh. Surgery and leisure, a dream? Not any more. The purpose of this research will be to identify the scope of Indian medical tourism market, characteristics that affect the development of the niche market and seek to identify any significant similar patterns in Madhya Pradesh. This study also aims to provide a market overview of medical tourism for new entrepreneurs seeking investment opportunities in this sector in Madhya Pradesh. Primary data has been collected through interview with the hospital head Dr. Rajiv Choudhary, Padhar Hospital and Dr. Sabyasachi Gupta Citi Hospital Bhopal.

Medical tourism is where “tourists” primarily seek medical treatment abroad and afterwards the more conventional form of tourism experience related to leisure and relaxation in tourist places. The combination of surgery and tourism seems to be a promising relatively new type of non-exclusive niche tourism. Factors contributing to this phenomenon include long waiting lists for surgery, costly healthcare, a natural progression within health tourism and globalisation.

Medical Tourism can be a potential market in M.P. as there is a lack of corporate healthcare providers. It has rich cultural background and tourist spots attracting numerous foreign tourists per annum. M.P. health policy regarding P.P.P. may encourage private investment. M.P.tourism is a widely spread well developed corporation which is a positive faither for inviting medical tourism in M.P.

Madhya Pradesh has great medical tourism potential progressive image and thus investment in this niche market will prove advantageous because of following reasons:

Land

According to the land use pattern in M.P. free Land is available in abundance that can be developed for the purpose of setting up medical institutions promoting medical tourism. The State Government provides No objection Certificate without any delay for procuring land. Land cost is many times cheaper than Metros.

Nurses Training Centre

Apart from the qualified doctors the availability of nursing staff is highly important for the medical institutions as lack of manpower may inflate the cost of treatment. M.P. has the advantage of having the Nurses Training Centre for US Hospitals that provide qualified and trained nursing staff.

Convalescing

Due to natural surroundings, pollution free atmosphere and moderate temperature recovery is quicker in MP. This factor is an added advantage for the medical tourist as the period of stay gets reduced if convalescing is faster thus reducing the expenses of longer stay.

Affordable Hotels

The cost of accommodation is quite affordable in M.P. as compared to other states, the reason being the benefits and exemptions provided by the M.P. Tourism to the Hotel industry.

Cost of operation

The costs of procedures in Madhya Pradesh are at least 10%- 20% cheaper as compared to the prices in other states. Comparative Price List below makes the savings evident.

TABLE OF COMPARATIVE COST OF PROCEDURE (Lakhs)

	Abroad	India	M.P.
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Procedure		Cost	Difference in Price %	Saving %	Cost	Difference in Price %	Saving %
Total Hip replacement	6.5	2.6	40.0	60.0	1.5	23.1	76.9
Total Knee Replacement	7.5	3.5	46.7	53.3	2.3	30.7	69.3
Simple Spine Surgery	3.2	2.1	65.6	34.4	1.0	31.3	68.8
Spine Surgery with Implant	9.6	2.4	25.0	75.0	1.3	13.5	86.5
Ilizorov Surgery	2.5	1.0	40.0	60.0	0.9	36.0	64.0
Deformity Correction	1.5	0.6	40.0	60.0	0.3	20.0	80.0
Simple Brain Tumour	1.9	0.5	26.0	74.0	0.3	15.6	84.4
Open Heart Surgery	8.4	2.5	29.8	70.2	1.5	17.9	82.1

Continuous power & Water Supply

M.P. has the advantage of a number of water resources due to which the supply of power and water is continuous and efficient as compared to the states like Tamilnadu, Andhra Pradesh and Karnataka.

Excellent education

M.P. has gradually become an educational hub with the outburst of numerous private medical colleges providing excellent education and training.

Diversity of offerings & entertainment facilities

Madhya Pradesh in a nut shell offers almost all the potential combination of attractions as described in table below, for various segments of the tourist population.

THE MOST LIKED CATEGORIES OF TOURISM IN M.P.

S. No.	Category
1	Cultural Tourism
2	Wildlife & Adventure Tourism
3	Leisure & Business Tourism
4	Pilgrim Tourism
5	Eco – Tourism
6	Water Tourism
7	Rural Tourism

Law & Order:

M.P. has a safe destination image as far as Law and order is concerned. The other states of India like Delhi, Maharashtra or Kerala are facing the problems like strikes, political issues, riots, etc.

Supporting Infrastructure:

At a macro level MP is beginning to provide basic infrastructure to support tourist stay & movement. Logistically it provides the central hub for tourism.

Madhya Pradesh already stands 6th in terms of domestic tourist population & strategically & innovatively designed Business Models can improve MP's rating substantially

India is emerging as an attractive, affordable destination for healthcare BUT in Madhya Pradesh there are some problems and challenges that the state has to overcome to become a tourist destination with competent health care industry :

A. Infrastructural facilities

- Roads
- Sanitation
- Power Backups
- Rest/ Guest Houses
- Public Utility Services

B. The Foreign Customer Concerns and Expectations:

The biggest problem that the state hospitals face is assuring the foreign patients that they will receive quality care with no hidden costs. The industry experts need to develop the decision making models through a thorough study on the factors that motivate the patients to choose Madhya Pradesh as a health care solution spot. The basic expectations that the industry feels are important to be concerned about are:

- Hygiene
- Staff (trained technically as well as in soft skills)
- Customization

- Insurance Cover
- Stability
- Connectivity
- International standard certification

C. The Image of India needs to be enhanced (Standardization)

The only one quality that M.P. State health industry lacks in is Health standards and hygiene. State hospitals lack accreditation from the Joint Commission on Accreditation of Healthcare Organisations (JCAHO), suffer from a lack of standards in terms of quality and rates for healthcare procedures, have no gradation system and a far from perfect insurance sector. In addition, top State hospitals have high infection and mortality rates, and are unwilling to disclose data regarding these. Even if we were having the best of quality standards as has Indraprastha Apollo Hospital we will still be perceived as inferior in standards. This can be avoided by getting Quality standards. Apollo group of hospitals which has become the first hospital in India to get a JCI certification, the gold standard for US and European Hospitals, the same has to come to more hospitals of India.

D. Market accessibility

The next challenge for the state industry is to make M.P. medical market accessible by tourist travel agents and websites of Indian health tourism. The government can play a vital part as the same can bring in lots of foreign revenue.

The major ways of promoting our health tourism could be:

- Tourist companies of M.P.
- Doctors of M.P. visiting foreign countries
- International websites on M.P. tourism
- Globalisation of marketing activities by M.P. state travel agents
- Tying up with foreign travel agents for promotion
- Insurance companies abroad who target customers

E. Excess Glamourisation of Health Care

It has been seen that the doctors and key player hospitals in M.P. emphasis more on glamorization of health care than its actual advantages or research uniqueness. We need to work more on our research in medical field to be competent enough to beat our international

competitor. In other words SERVICES should be given more attention and importance than PACKAGING.

F. State Intervention

As this is a product which needs international tie-ups and international marketing, the state should help in the same. It should help the companies, hospitals and states in promoting health tourism abroad so that we can tap a wider range of customers.

G. Infrastructure

Hospitals in M.P. lacks exclusive infrastructure for corporate medical tourism viz. Chartered flight services, attractive tourism packages could be part of infrastructure

H. Competition (Neighboring countries)

Countries that actively promote medical tourism include Cuba, Costa Rica, Hungary, India, Israel, Jordan, Lithuania, Malaysia and Thailand. Belgium, Poland and Singapore are now entering the field. Thus India has enough competition from the international market. In India even many states like Delhi, Maharashtra Tamilnadu, Karnataka, Gujarat are leading in medical tourism, this will be one of our major threats in bringing up and developing the health tourism industry.

I. Insurance Backup

One good way of tapping the foreign customers is tying up with Insurance companies abroad who could provide a genuine database of target customers.

They can benefit from us by our services. Thus this would become a way of mutual marketing tactics between the Indian health tourism industry and the foreign Insurance agencies.

J. Local Demand vs. Global Demand

It can be seen in case of hospitals like Apollo and Escorts that the Local demand itself to be catered to is vast. We should remember that we should have the facilities enough to manage the foreign customers not neglecting the local markets. Thus it is a challenge for both the Alternate therapy industry and Corporate Health Care Service Providers to cater to this vast market efficiently without compromises in quality on either side.

Policy recommendations

Overall, the study throws up several policy measures required by government and initiatives required by private players to make the hospital segment more attractive to both domestic and

foreign investors if the ultimate aim is to expand capacity, improve standards, and make healthcare affordable and accessible to a wider segment. Some of these measures include:

- Facilitating land acquisition- some subsidization of initial project costs or PPP arrangements with possible cost discounting or cross subsidization arrangements built into the valuation of land;
- Consider other forms of obtaining land- through leasing arrangements, joint development with real estate developers and arrangements with public sector units owning land and hospital facilities and government facilitation of such arrangements;
- Freeing up medical education and encouraging private hospitals to enter into medical education and training to expand the supply of medical personnel at all levels in Madhya Pradesh.
- Incentivizing domestic manufacturing of medical devices and technologies through increased investment in this sector and tie ups with foreign companies and efforts to standardize output.
- Opening up the health insurance sector to enable greater scrutiny of processes and standards of hospitals, which would also help attract foreign funds, as well as introduction of a national or community based health insurance scheme to increase affordability of healthcare and mitigate potential adverse effects of corporatization on equity;
- Improving the regulatory framework for health insurance by standardizing norms for payouts, coverage, reduce malpractice in Madhya Pradesh.
- Facilitating public private partnerships in hospitals, with private sector hospitals entering into limited period management contracts with public hospitals, under well-defined revenue sharing arrangement, along with CSR responsibilities through cross subsidization mechanisms in Madhya Pradesh.

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- Greater sharing of resources (equipment, knowledge, research facilities) between public and private hospitals and between larger private hospitals and smaller local players of Madhya Pradesh.
 - Establishing a regulatory framework and an independent regulator in the healthcare sector of Madhya Pradesh to address issues of standardization, classification, information disclosure, etc.
 - Improved regulation and monitoring of mid and small size establishments to improve standards and quality, weed out substandard establishments, and enable consolidation in healthcare delivery.
 - Recognize healthcare as an infrastructure sector in Madhya Pradesh, and extend the benefits under sec 80-IA of the IT Act. Benefits include tax holidays for five years and concessional taxation for subsequent five years.
 - The government should actively promote FDI in healthcare sector of Madhya Pradesh.
 - Conducive fiscal policies - providing low interest rate loans, reducing import/excise duty for medical equipment.
 - Facilitating clearances and certification like medical registration number, anti-pollution certificate etc.
 - Reduce hassles in visa process and institute visa-on-arrival for patients.
 - Follow an Open-Sky policy to increase inflow of flights into Madhya Pradesh, India.
 - Create Medical Attachés to Indian embassies that promote health services to prospective Indian visitors.

As the study focused on the investment opportunities in Madhya Pradesh that can make it a favorite destination in India and the problems involved in this niche market the above measures will prove helpful in over coming the problems and will kick-start hospital financing, which is struggling now due to capital intensive and low efficiency nature of healthcare business.

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