INTRODUCTION

In recent years, the phenomenon of medical tourism has attracted increased media attention. Similar to manufacturing outsourcing where activities (and jobs) leave the United States, for example, because they can be conducted cheaper elsewhere, medical tourism deals with medical activities that can be conducted cheaper elsewhere. The phenomenon of medical tourism is relatively new, and scientific studies on this topic are rare. The objective in this chapter is to explore the issue of medical tourism. This chapter takes the viewpoint of the United States: What are the potential consequences of medical tourism for the United States?

BACKGROUND

There are different types of medical tourism. In the past, medical tourism may have occurred primarily due to the lack of treatment or procedures at home; for instance, as a consequence of laws. Other types of motivation have occurred. One of these is the cost involved in the procedure. CBC News reported that many medical tourists from the United States are seeking treatment at a quarter or sometimes even a tenth of the cost at home (CBC News Online, 2004). Another motivation is waiting lines for treatments. For yet others, medical tourism may provide a chance to combine a tropical vacation with elective or plastic surgery. Figure 1 provides a theoretical framework for this analysis.

As Figure 1 illustrates, medical tourism is considered in those situations where individuals travel abroad for medical treatment or procedures. These individuals (the patients) may have several types of motives for traveling abroad. The direction for travel may depend on the motive. Offshore diagnostics is not included in the definition of medical tourism. Instances where medical analyses are outsourced to India because of lower costs but without the actual travel of the patients is not included as medical tourism. These instances may affect the U.S. health care industry. When medical tourists travel from the United States to a developing country like India, this doesn’t mean that the care in India is of a lower quality. Doheny (2006) illustrates that if one chooses wisely, the care will be as good or even better than it is in the United States. Some overseas hospitals are accredited by the U.S.-based Joint Commission International (JCI), which is affiliated with the Joint Commission on Accreditation of Health care Organizations, which accredits U.S. hospitals (Doheny, 2006). Some countries such as Brazil, Cuba, Costa Rica, Hungary, India, Israel, Jordan, Lithuania, Malaysia, and Thailand are actively promoting medical tourism and are turning to this type of new industry in an attempt to generate hard currency (Bradley & Kim, 1994; Xinhua News Agency, 2005).

Availability Motive

The issue of availability has occurred with regard to abortions or artificial insemination (English, Mussell, Sheather & Sommerville, 2005). These topics were
related to the laws in specific countries that would not allow certain procedures to take place. Individuals could opt to go to other countries with different laws that would allow them to undergo a specific procedure. The travel may be primarily from less developed areas with either fewer treatments or procedures available due to lacking technology and/or local laws. It is unlikely at this time that this motive plays a major role for U.S. residents since most medical procedures are available in the United States.

**Cost Motive**

Another motive for medical tourism is the cost of the procedure or treatment. For example, some medical treatments may be cheaper in low labor cost countries. Doheny (2006) states that a U.S. surgeon’s fee for a full face-lift averaged $4,822 in 2004. In the United States, this type of treatment does not include a hospital stay, and therefore, there are no hospital costs involved. At Bumrungrad Hospital in Bangkok, the surgeon’s fee for a full face-lift is about $1,200, and this includes a neck lift and upper and lower eyelid lifts. With hospital and other fees, the total bill is about $4,000. This motive is also affected by what is covered by insurance or not (Landers, 2005; Moser, 2005). Since this customer motive will likely play a role for U.S. residents, it is discussed in a later section.

**Timeliness Motive**

A third motive is timeliness. The distinction between this motive and the availability motive is that the pro-