

# Medical Tourism in Developing Countries

*This page intentionally left blank*

# Medical Tourism in Developing Countries

Milica Z. Bookman  
and  
Karla R. Bookman

palgrave  
macmillan



MEDICAL TOURISM IN DEVELOPING COUNTRIES

Copyright © Milica Z. Bookman and Karla R. Bookman, 2007  
Softcover reprint of the hardcover 1st edition 2007 978-0-230-60005-8

All rights reserved. No part of this book may be used or reproduced in any manner whatsoever without written permission except in the case of brief quotations embodied in critical articles or reviews.

First published in 2007 by  
PALGRAVE MACMILLAN™  
175 Fifth Avenue, New York, N.Y. 10010 and  
Houndmills, Basingstoke, Hampshire, England RG21 6XS.  
Companies and representatives throughout the world.

PALGRAVE MACMILLAN is the global academic imprint of the  
Palgrave Macmillan division of St. Martin's Press, LLC and of  
Palgrave Macmillan Ltd. Macmillan® is a registered trademark in the  
United States, United Kingdom and other countries. Palgrave is a  
registered trademark in the European Union and other countries.

ISBN 978-1-349-36941-6      ISBN 978-0-230-60565-7 (eBook)  
DOI 10.1057/9780230605657

Library of Congress Cataloging-in-Publication Data

Bookman, Milica Zarkovic.  
Medical tourism in developing countries / by Milica Z. Bookman and  
Karla R. Bookman.

p. cm.

Includes bibliographical references and index.

ISBN 978-0-230-60006-5

(pbk. : alk. paper)

I. Medical tourism—Developing countries. I. Bookman, Karla R.  
II. Title.

RA441.5.B66 2007

338.4'73621—dc22

2007060050

A catalogue record for this book is available from the British Library.

Design by Macmillan India Ltd.

First edition: August 2007

10 9 8 7 6 5 4 3 2 1

Printed in the United States of America.

To Richard, Aleksandra, and Pirojsha

*This page intentionally left blank*

# Contents

List of Tables	viii
Acknowledgments	ix
List of Acronyms	x
1 Introduction to Medical Tourism	1
2 Plastic Surgery is Not Peanuts: Economic Growth and Dependency	21
3 Offshore Doctors: The Demand for Medical Tourism	41
4 Would You Like a Safari With Your Lasik Surgery? The Supply of Medical Tourism	65
5 Promoting Medical Tourism: The Advantages	95
6 Promoting Medical Tourism: The Obstacles	139
7 Inequalities in Health Care and the Role of Macroeconomic Policy	169
Notes	187
Selected Bibliography	223
Index	231

# List of Tables

1.1	Economic indicators and the human development index in selected destination countries, 2003, 2004	16
1.2	Indicators of the tourist and health sectors	19
3.1	Medical tourism by patient income	48
4.1	Perceptions of public spending	68
4.2	Public and private sector health expenditure as a percent of GDP, 2002	69
4.3	Expenditure on tourism as percent of total government spending	70
5.1	Indicators of human capital	103
5.2	Brain drain, 2005	107
5.3	Indicators of research and development (technology creation)	111
5.4	Indicators of physical infrastructure	114
5.5	Sophistication of financial markets and access to loans	118
5.6	Political characteristics in ten destination countries	120
5.7	Protection of property rights and intellectual property	123
5.8	Corruption in police institutions, 2005	124
5.9	Growth and business competitiveness indexes, 2005	127
5.10	Tourism statistics	135
6.1	JCI accredited medical institutions	149
7.1	Health indicators in ten destination countries	171
7.2	Perceptions of health care inequalities	178



# Acknowledgments

We would like to thank Jelena Zarkovic, whose personal experience with medical tourism planted the seed for this project. Richard Bookman's knowledge of Western medicine has been invaluable as we tried to understand what pushes Americans to buy health care in developing countries. For their help in moving this project forward, we are grateful to Ljubisa Adamovic, Grace Agnetti, Henri Barkey, and Elissa Vanaver. Eric Beuhrens was instrumental in introducing us to contacts abroad.

Milica would like to thank the following people for their enthusiastic input: Tom Burke, Christina Rennhoff, Linda Richter, Bob Schwartz and Jane Wooldridge. She is grateful to Lee Tourscher for his help with data collection. Thanks are also due to John McCall, George Prendergast, Brice Wachterhauser, Bill Conway, and Dori Pappas for their unwavering assistance on the funding and administrative side of this research.

Karla is grateful to Harold Edgar at Columbia Law School for engaging her in brainstorming sessions about medical tourism. She would like to thank all the hospital staff interviewed in India, in particular Narsinha Reddy, Manish Ved, and Neelesh Rajadhyaksha at the Bombay Hospital and Medical Research Center, for their hospitality and enthusiasm. Robert Thurer at Healthcare City in Dubai was an essential resource.

Thanks are also due to the anonymous reader whose comments have improved the final manuscript. We are equally grateful to Aaron Javscas at Palgrave Macmillan who believed in the idea, as well as Julie Cohen and Kate Ankofski for their attention to detail.

This book has been a mother-daughter project from the inception to the conclusion. As an economist and an attorney, we have been able to approach issues of medical tourism in a multidimensional way, and it was always a thrill to work together. Throughout the research and writing, we were both aware that we do not exist in a vacuum, and without the consistent support of Richard, Aleksandra, and Pirojsha, this project would not have been realized.

# List of Acronyms

AIDS	Acquired Immunodeficiency Syndrome
APEC	Asia Pacific Economic Cooperation
ATM	Automated Teller Machine
BBC	British Broadcasting Corporation
BPO	Business Process Outsourcing
CII	Confederation of Indian Industry
EU	European Union
FDA	Food and Drug Administration
GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
GMP	Good Medical Practice
GNP	Gross National Product
GNI	Gross National Income
HDI	Human Development Index
HMO	Health Maintenance Organization
IFC	International Finance Corporation
IT	Information Technology
IMF	International Monetary Fund
ISO	International Organization for Standardization
JCAHO	Joint Commission on Accreditation of Healthcare Organizations
JCI	Joint Commission International
LDC	Less Developed Country
MDC	More Developed Country
MSAs	Medical Savings Accounts
NAFTA	North American Free Trade Agreement
NHS	National Health Service
MERCOSUR	
Spanish:	Mercado Comun del Sur

MRI	Magnetic Resonance Imaging
NGO	Nongovernmental Organization
OECD	Organization for Economic Cooperation and Development
OPEC	Organization of Petroleum Exporting Countries
PPP	Purchasing Power Parity
R&D	Research and Development
SARS	Severe Acute Respiratory Syndrome
SPS	Sanitary and Phytosanitary Measures
TBT	Agreement on Technical Barriers to Trade
TRIPS	Trade-Related Aspects of Intellectual Property Rights
TTI	Travel and Tourism Industry
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNICEF	United Nations Children's Fund
UNWTO	World Tourism Organization
VFF	Visiting Friends and Family (Tourism)
WIPO	World Intellectual Property Organization
WHO	World Health Organization
WTO	World Trade Organization
WTTC	World Travel and Tourism Council