How would a growth in medical tourism affect Austria?

Bachelor Thesis for Obtaining the Degree

Bachelor of Business Administration in
Tourism and Hospitality Management

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Affidavit

I hereby affirm that this Bachelor’s Thesis represents my own written work and that I have used no sources and aids other than those indicated. All passages quoted from publications or paraphrased from these sources are properly cited and attributed.

The thesis was not submitted in the same or in a substantially similar version, not even partially, to another examination board and was not published elsewhere.

Date: 20th June 2016

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Abstract

Medical tourism, the act of travelling abroad in order to receive medical services, is a growing industry for many nations. The growth of medical tourism has sparked further speculation on the future of the industry and its potential implications on source and destination countries. The aim of this thesis is to review the implications of medical tourism and apply this knowledge onto the question of how a growth within the industry could affect Austria specifically. Such an evaluation could be useful for future researchers in terms of developing a clearer understanding on the positive and negative effects of medical tourism on a global scale, as well as Austria individually.

The findings of the thesis, with the help of numerous sources, concluded that implications of medical tourism on a global scale included financial implications, implications to medical tourists personally, public resource implications, problem solving implications, revenue implications, medical standard implications and also inequity implications. The main limitation of the findings was that most sources used were conducted in English; foreign sources (except a few German-conducted Austrian sources) were not taken into account.

In terms of the medical tourism situation of Austria, the industry is steadily growing. The nation has a strong wellness tourism market and consequently, there has been a greater emphasis placed on this sector of medical tourism. Future opportunities could potentially lie in the development of new treatment packages, as well as in the expansion of sport medicine tourism. The implications of the industry for Austria include reduced dependency on other industries, expanding the nation’s tourism market, reducing brain drain and finally, potential opportunities in the development of other high-income industries. Challenges, such as the development of a two-tiered healthcare system, could potentially arise and should be avoided.
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List of Abbreviations
1. Introduction

Medical tourism, also known as health and wellness tourism, is an expanding industry for numerous countries. This trend can be defined as the act of travelling abroad for the primary reason of seeking out medical treatment (Connell, 2006). However, a slight distinction between health tourism and medical tourism can be made. Whereas health tourism is associated with the dealing of the overall well-being of a person, medical tourism is a planned or scheduled travel of a medical tourist to another country in order to fulfill a medical procedure, such as a surgery. With medical tourism, the patient will usually have discussions with his or her medical practitioner before forming a plan to travel abroad. From this, we can conclude that medical tourism places a stronger emphasis on health rather than tourism (Freire, 2012).

Medical tourism is by no means a new concept; medical tourism has been prevalent amongst the general public for many years. Tourists have been known to travel to thermal springs as far back as during the Roman times, as well as visiting tropical climates and environments for the purpose of pain relief. Furthermore, medical tourism experienced great development during the 19th and beginning 20th century, becoming more prevalent amongst the wealthier populations. New innovations and medical developments were constantly providing the medical tourism industry with growth opportunities. Consumers were being provided with access to new and less expensive treatments. The middle class was hereby able to afford such luxuries along with the upper class (Freire, 2012).

Thus, the rising popularity of medical tourism has brought forth with it many interesting ideas for the future, especially in terms of business opportunities. Destinations as a whole, as well as individual wellness and medical centers, are looking into how they can benefit from this rise in this special kind of tourism (UNWTO, 2015). In particular, medical tourism is a source of employment within
the tourism and health industry that the government is encouraging for the development of new jobs. Globalization has promoted the growth of this industry and has placed questions on the topics of social insurance and the reorganization of health care systems, both private and public. This brings forth the challenge of having to improve the standard of medical tourism without compromising the quality of the local health system. There are also the problems of legal and ethical issues to consider. Finding a balance between all these aspects is a challenge in itself (Freire, 2012).

Nowadays, medical tourism makes up 2% of the overall world tourism and around 4% of the worldwide hospital admissions (OMT, 2011). It is a small percentage but not for lack of importance. Due to the future predictions of an increased life expectancy and the continuously developing medical and technological fields; a rapid increase in the number of medical tourists is expected (Freire, 2012).

Asia, for example, has been the top runner in the medical tourism industry, with other countries attempting to penetrate the market. They have used this form of tourism as a solution to the 1990 Asian economic crisis. Malaysia, for example, has been heavily promoting medical tourism within their country as a means of attracting potential foreign customers, thereby increasing revenues (Connell, 2006).

Also in Europe, various destination have started to use medical tourism as a way to generate more tourism revenues. For example, Austria and Germany, both German speaking countries, are popular destinations for medical tourists. According to Euromonitor International, the Austrian medical tourism industry is forecasted to grow by 11.1% whereas Germany is expected to grow by 2.4%. Austria has an advantage of being renowned for its top of the notch medical facilities and wellness spas (Tourism-Review, 2014).
1.1. Aim of the Bachelor’s Thesis

The research question and aim of this thesis is to identify, given the rise of medical tourism, the potential effects and future opportunities of said medical tourism for Austria. The information found could be beneficial for researchers and practitioners in terms of gaining a better understanding on the positive and negative effects of an increase in a country’s medical tourism. The information found could also uncover future opportunities to allow for the expansion of the Austrian medical tourism reach and its revenues. Following this introduction will come the literature review in which the state of medical tourism around the globe will be analyzed and discussed.

2. Literature Review

2.1. Definition of Medical Tourism

The abundant growth within the medical tourism industry also lead to a myriad of questions and confusion amongst the public, especially in terms of the correct medical definitions and categories to be used (Freire, 2012). Medical tourism is made up of a number of aspects, all revolving around the concept of increasing the wellbeing and health of a person, both of the mind and the body. Most of these activities include specialized invasive medical treatments aimed at diagnosing and treating a medical problem. There are also noninvasive activities used within this branch of tourism, especially in areas specializing on the improvement of the state of mind and overall well-being of patients (Freire, 2012).

The objectives of medical tourism are to, on the one hand, assist in medical interventions of foreign countries and, on the other hand, attract and encourage the visitation of medical tourists from these foreign countries. It is not only Western visitors who are concerned when it comes to medical tourism; included are also other tourists from around the globe who seek to visit developed or underdeveloped countries that practice medical tourism. European studies
concluded that medical tourism experiences the same movements as that of the mobility of workers within the European Union. As far as medical tourism in Austria is concerned, most patients are expected and seen to come from countries within the European Union (Freire, 2012).

The importance of medical tourism is easily shown through statistics; an estimated 19 million patients travel abroad for medical care per year. Compared with the 908 million total tourists worldwide, medical tourism accounts for 2% of tourists and 4% of tourist spending. Foreign visitors were subjected to surveys at the Paris airport; the results concluded that 2% of the tourists travelled with reasons relating to receiving medical care (Freire, 2012).

Due to the open borders within the European Union, there is no control over the origin or motivation of European national travellers. Also, the data regarding medical tourism is not extremely centralized. This means that it is difficult to determine the number of foreigners that are admitted to medical facilities within the criteria of being a medical tourist. The data concerning medical tourists in private hospitals or being treated by private doctors is even less. This has led to some unreliable studies being conducted, in which these data discrepancies were not taken into account (Freire, 2012).

There are disagreements on the industry’s use of the term ‘medical tourism’ as it is said to denote a sense of traveling with an emphasis on wellness and recreation, similar to that of health travel. Rather than that of medical travel which is more intensive and usually involves the use of aggressive treatments such as surgery (Pocock & Phua, 2011). The use of the term ‘medical tourism’ has also been said to underplay the seriousness of patients who travel abroad for life-threatening reasons, and instead suggests usual travel but with an add-on health element. The money spent by foreign patients are filed under a country’s export income. Because of this, economists who are involved in medical tourism prefer and
sometimes refer to the industry as ‘medical value travel exports’ or also ‘medical tourism exports’ (Labonté, n.d.).

As a substitute for the term ‘medical tourism’, many have suggested the use of the term ‘medical travel’ as a more suitable phrase. The use of ‘medical tourism’ is not likely to change any time soon, however. As countries move onto more means of attracting medical tourists, the tourism aspect of it all is still largely prevalent commercial feature. And because of the way in which the term ‘medical tourism’ has circulated and grown within commercial circles; the term will most likely be here to stay. Other services have also caught on and created similar terms for themselves, such as ‘dental tourism’, ‘stem cell tourism’ and ‘cosmetic surgery tourism’ (Labonté, n.d.).

2.2. History of Medical Tourism

The act of travelling for medicinal purposes has dated back long into our history. The healing ways of thermal springs and sacred sanctuaries were known amongst ancient civilizations. Restorative spas were built amongst hot springs by the Sumerians over four thousand years ago. The Romans and Greeks were also renowned for their therapeutic health resorts. The ancient Greeks were reported to have journeyed to their God of Healing, Asklepios, who was believed to have revealed cures within worshippers’ dreams. This area was in fact Epidauria, an area situated within the Saronic Gulf, which is now considered as the birthplace of medical tourism (Mestrovic, 2014).

Europe also played a role in the development of medical tourism as we know it today. Particularly in terms of the creation of an enjoyable and restorative resort concept. Due to the beliefs of the British elite that sea water contained healing properties, seaside resorts were built within the United Kingdom in areas such as Blackpool. These resorts quickly became popular amongst tourists that were able to expense such a trip (Mestrovic, 2014).
Skin infections, rheumatism and digestive problems were treated within spas using the healing properties of mineral water. Within Europe, there were an abundance of towns and villages built around mineral springs for the sole purpose of creating a spa haven. Examples of these towns within Switzerland and Austria include Baden, St. Moritz, Interlaken and Lausanne (Mestrovic, 2014).

With the invention of railways, an influx of tourists were seen within remote countryside resorts and spas, creating a new leisure environment and destination that would allow people to escape the city life. It also provided people with the ability and opportunity to travel and experience a ‘healthy pleasure’ (Mestrovic, 2014).

Within North America during the 1600s, there was an influx of European travellers as the New World became more prevalent. The local mineral springs were an attraction that many tourists travelled for. The English and the Dutch were especially fascinated and were known to have set up accommodations around the areas. At this time, the Native Americans were also widely known for their healing powers. Due to the popularity of mineral springs within the United States and Canada; spa tourism began to develop and gain momentum (Mestrovic, 2014).

Those from Europe who were suffering from a myriad of diseases and were wealthy enough to travel; often ventured to the United States in the hopes that a change in climate would improve their health. Such actions can today be equated to that of retirees who seek to improve their quality of living by migrating to other locations (Mestrovic, 2014). Having said all that, although the action of travelling for health improvement dates back, the action of travelling in order receive treatments regarding dental and cosmetic surgery is fairly new (Mestrovic, 2014).

Asia is also known to have a rich history regarding medical tourism. The healing practices of yoga and Ayurveda began within India around five thousand years
prior to today. Travellers from around the globe ventured to India, seeking to learn and experience the spiritual healing and benefits that yoga and Ayurveda provided. Such practices were also known as alternative healing methods, especially sought out by those who were no longer benefiting from other methods of medicine. India’s reputation grew into one of spiritual and medical healing. To this day, India is still a major attraction for medical tourists (Mestrovic, 2014).

When speaking on the history of medical tourism within Asia, the legends of Japan’s natural mineral springs should also be mentioned. These springs, known as onsen in Japan, have been a medical attraction and retreat for centuries. They are also an integral aspect of Japan’s tourism today. It is said that these springs contain healing properties due to their mineral content. Japanese warriors were known to travel to such springs in order to heal wounds received from battle (Mestrovic, 2014).

2.3. Current Global Situation of Medical Tourism

The annual global value of the medical tourism industry for the year 2012 was an estimated 100 billion US dollars (Chambers, 2011). Although the industry is a large one, there is currently little literature available. This is, however, changing as the industry continues to develop (Labonté, n.d.).

Due to the difficulty of measuring data regarding medical tourism, there is little data to be found. Because of this, it is difficult to measure and showcase the physical scale and size of the industry. The same can not be said for the industry’s online presence. When searching medical tourism in Google during the month of December 2012, around 68 million results are available to the user (Labonté, n.d.).

Amongst these results are numerous interactive sites that allow users to go into much detail concerning scheduling their medical services overseas. This includes communication networks between patients and specialists, flight and
accommodation booking and even add-on tourist activities and excursions. These functions are either managed by the providers themselves or an external agent. Most of these sites are commercially aimed. As a result, there is much misinformation and inaccuracy in terms of treatments and services offered by the companies. Misleading claims are prevalent amongst such sites. This is especially true for treatments that are newer or have little research to backup their claims, such as with stem cell therapy. The amount of non-commercial medical tourism sites around are minimal (Labonté, n.d.).

There are few countries who keep records on the number of medical travellers who are entering and exiting their regions. In addition, some countries are known to exaggerate the data regarding the industry as a means of creating one. Because of this, there are many disagreements on the actual size of the medical tourism industry (Labonté, n.d.).

For example, the Bumrungrad International Hospital in Thailand has expressed that they annually receive 400 thousand foreign patients (Bumrungrad International Hospital, n.d.). A 2008 report conducted by McKinsey, on the other hand, states that the number of global patients travelling for medical purposes were no more than 85,000. Also, it was reported that the majority of these travellers were travelling to the United States, from areas such as the Middle East, Europe, Canada and Latin America (Labonté, n.d.).

There is obviously an extremely large discrepancy between the two sets of data, leaving much confusion and critique in its wake (Ehrbeck et al., 2008). The McKinsey report has been censured for its bias inclination towards the markets of the United States (Youngman, 2009). The report was conducted using data from only a portion of accredited hospitals and completely ignored sites originating within the United Kingdom as well as data from that of developing countries (Labonté, n.d.).
In a report from Deloitte stating the number of patients who are outward bound from the United States, forecasts show a wildly different set of numbers. This included a forecast of 750,000 American medical tourists for the year 2007 and a forecast of 16 million tourists for the year 2017 (Deloitte Center for Health Solutions, 2008). However in 2009 estimates were reassessed and brought down to a figure of 580,000 outward bound American medical tourists. This was due largely in part to the people’s spending habits and abilities after the recession (Labonté, n.d.).

If we assume that American medical tourists make up 10 percent of the medical tourism market, as McKinsey assumed in his report, this would mean that in 2009 there were 6 million patients who travelled abroad for the purpose of receiving medical services (Ehrbeck et al., 2008). Youngman also estimated a similar number, 5 million tourists, after reading McKinsey’s report and believing the numbers to be too low. The estimate of Youngman cautiously included official data from several countries but excluded countries that had insufficient data to represent as well excluding data concerning emergencies, local wellness tourism statistics and statistics concerning expatriates (Labonté, n.d.).

We could conclude from this that although the estimate of 5 to 6 million global annual medical tourists may be reasonable, such forecasts and data should be heeded carefully and with a grain of salt. Such forecasts could be seen as having been exaggerated in order to accommodate the commercial aspects of medical tourism by creating an artificial image of rapid market growth (Labonté, n.d.).

Contrary to the disagreements regarding the term and sphere of medical tourism, the interpretations of who a medical tourist is is quite straightforward. Those who are excluded from being considered a medical tourist include expatriates who are acquiring medical services whilst residing in foreign country, tourists taking part in
There are three main agents within the medical tourism industry: those who are seeking medical care in a foreign country, those who are in foreign countries and able to offer such services to patients, and finally a medical facilitator to bring both parties together. In some cases there is a fourth agent; medical practitioners or personal physicians will sometimes provide the other agents with detailed information regarding the condition and medical history of relevant patients (Labonté, n.d.).

There are also other subordinate agents involved in the medical tourism industry. These include governments who provide hefty allowances as stimulus (due to their views on the increasing profitability of the medical tourism industry), public and private health insurance companies that are looking to reduce costs through the use of cheaper foreign services, and also the tourism industries within other countries who seek to create partnerships and package deals. The facilitators that puzzle these pieces together and make the connections between agents include websites and relevant industry conferences (Labonté, n.d.).

2.4. Implications of Medical Tourism

2.4.1. Financial Implications

It is possible for destinations to act as both a country of origin as well as a destination country within the medical tourism industry. High profit-generating destinations sometimes choose to cater to the society of rich foreigners whilst their locals opt to seek treatment in cheaper, developing countries. There are implications that arise for both source countries (countries that source medical tourists) and destination countries (countries where medical tourists travel to seek treatment). These implications could range from political to financial, legal, ethical and also social issues (Lunt et al., n.d.).
In terms of financial implications, medical tourists are personally affected. Individuals and their relatives could face increasing costs and even debt when seeking treatments abroad. Medical tourists do not always choose to find help abroad in order to cut costs; it is sometimes the case that the destination country is the only one that is currently offering specific (sometimes experimental) treatments (Lunt et al., n.d.).

There are also financial implications for source countries in terms of their public health system. There are costs, for example, that arise from the need for patients to undergo emergency recovery treatments once they return from abroad. The possibility of infections breaking out once patients return from abroad also carry a myriad of potential risks and costs. Patients who have gone abroad to receive fertility treatments have in some instances returned to their home countries and undergone multiple births, resulting in increased social and health costs. Overall, however, there has been a lack of information regarding the direct costs of medical tourism on the health care system (Lunt et al., n.d.).

The private health system also experiences financial impacts. When patients choose to undergo treatment overseas, local private practitioners lose business. For example, if patients choose to travel to Thailand to receive cosmetic surgery instead of receiving treatment locally. This in turn may result in increased advertising and marketing costs by local private practitioners to encourage patients to receive treatments locally, thus increasing their overall costs (Lunt et al., n.d.).

2.4.2. Healthcare System Implications

The outflux of a large medical tourism market could impact the source country’s own health care system. An outflow of upper-class patients from a source country could result in reduced local revenues and reduced governmental support for the development of local medical facilities. As there is a reduced demand pressure
from the public, the medical industry is less likely to feel heat for increasing investments on medical facilities and technology. It could be said that once a country has more patients seeking treatments abroad rather than locally, the country’s health system has failed. Source countries may, however, benefit from an outflow of patients. It was estimated that if one out of ten patients within the United States went abroad for treatment, savings would sum up to 1.4 billion dollars annually (Lunt et al., n.d.).

The emergence of a two-tier health system could also be possible for developed countries. When prices for treatments see a large increase or if the public’s eligibility for services sees stricter regulations, those with available funds may choose to travel and seek treatments abroad. These individuals are able to escape waiting times and other local restrictions. Those who do not have the resources to travel will be forced to bear waiting lists and undergo treatments locally (Lunt et al., n.d.)

2.4.3. Medical Tourist’s Implications

There are numerous benefits for a person in need of medical services to be treated abroad. Firstly, there is the possibility of the costs of the medical service being lower than that of their home country. If the treatment that is needed is not available or not covered by the health insurance of the origin country, this is also a driver for patients to seek treatment abroad. The value to price ratio is also in some instances more favorable in foreign countries. Hospitals in certain developing countries offer lower prices yet they still employ qualified and trained medical staff from western countries (Freire, 2012).

There is also the improved mental recovery of patients undergoing treatments abroad in more ‘exotic’ countries, and countries associated with ‘holiday’. The unpleasantness of the treatment to be received is cancelled out by the pleasantness of being on ‘holiday’ in an ‘exotic’ country. Experiencing a ‘change of scenery’ whether that be a change of country, a change of culture or a change of
climate, also encourages a state of increased overall happiness and well-being. The unpleasantness of the treatment could be surpassed by the more positive ‘leisure’ aspect of the trip. Also, many choose to receive treatments abroad as it would allow them to hide the nature of their trip under the illusion of going on holiday (Freire, 2012).

There are other benefits to be experienced depending on the nationality of the medical tourist. For example, some medical tourists choose to receive treatment abroad as they would be able to receive an immediate appointment and not be forced to wait for an extended period of time in their country of origin. There is also the desire to go to hospitals that have a higher standard of cleanliness so as not to easily catch contagious diseases or infections. Some patients wish to travel to be seen by renowned doctors and medical practitioners. Others travel to specific destinations that are more ‘famous’ for performing certain treatments. Thailand, for example, is more well known for their plastic surgery treatments (Freire, 2012).

Although the idea of medical tourism may seem attractive, there are several possible risks for the medical tourist that should be noted. There is always the possibility that complications may arise after treatment is received, this would force patients to stay abroad longer and could thus increase costs. If costs become too high, the aim of going abroad to receive cheaper treatment would be useless (Freire, 2012).

The act of travelling could also be stressful for some, increasing the possibility of complications since the patient is not able to smoothly recover in a calm and stress-free environment. Also, although the chosen hospital or doctor may possess a high standard and quality, this does not guarantee that the destination’s local paramedical activities are up to par. This could include services such as clinical
analysis laboratories, ambulance services, radiology centers and other such facilities (Freire, 2012).

In addition, it may not be possible for patients to receive follow up treatments as they would most likely need to return to their country of origin. This is particularly a problem for dental tourism, in which patients would need to return for several appointments in order to ensure an optimal result. Patients sometimes may also need to recover within a facility in their country of origin, thus resulting in an increased personal cost. There is also the possibility of contracting a hospital-borne disease abroad, especially in hospitals which lack international hygiene standards, as well as seasonal diseases or country-specific diseases such as malaria, which the medical tourist may not be immunized against (Freire, 2012).

2.4.4. Public Resource Implications

In a study conducted by Johnston et. al, they concluded that there were five trends of medical tourism that could have implications for destination and source countries: medical tourism as a user of public resources, a solution to health system problems, a revenue generating industry, a standard of care and a source of inequity (Johnston et al., 2010).

In terms of medical tourism and its implications on public resources (particularly public funds), the industry is seen as a threat. A popular example of this was the private medical tourism industry within India, one which is currently seeing tremendous growth. Their industry is heavily funded by government funds in the forms of reduced imported medical equipment tariffs, allocation of public land and corporate tax cuts. It should be stressed that these subsidies are used for building private hospitals, of which will be catered to medical tourists. Although these private hospitals are under regulations to provide services for destitute local patients, it is questioned whether these regulations are ever even met (Johnston et al., 2010).
Public resources are also used for medical tourism within public health-care systems. Cuba and Singapore, for example, have targeted privately-financed foreign medical tourists for their public hospitals. Another case on the use of public resources; private hospitals with a focus on attracting medical tourists are employing medical practitioners that have been schooled within public education systems. These practitioners, who would usually undertake their training within ‘resource-poor environments’, are now treating wealthy international patients. These practitioners are then able to access exclusive innovations within advanced facilities, whilst also receiving a superior wage. It should however be noted that many argue with these accusations and retort that such practitioners working within medical tourism hospitals were in fact schooled within high-income countries and have chosen to return to work in a familiar environment (Johnston et al., 2010).

Similar to what was previously stated, medical tourists that face complications upon returning to their home countries will cause increased use of public funds. Sources have stated that such complications create a diversion for the public healthcare system. One Australian report concluded that the cost of treating a patient’s infected total joint arthroplasty after receiving treatment from abroad resulted in nine times the cost had he been treated within a local hospital. However, the potential cost reductions offered by medical tourism are so high that the authors of the report concluded the following: even with a five percent failure rate, the Australian healthcare system would still be saving public costs if patients were to receive treatments abroad and pay reimbursements (Johnston et al., 2010).

It should also be noted that in some countries patients who are enrolled in public healthcare systems may be reimbursed using public funds after receiving medical attention abroad. However, this is only the case if the patient is able to prove prior to their departure that going abroad for treatment was necessary and that such
treatments were not available domestically. This option of medical tourism is only available to those that are able to privately pay their fees first (before receiving reimbursements) (Johnston et al., 2010).

### 2.4.5. Problem Solving Implications

The second identified implication of medical tourism was its solution to problems within the health system. The growth of medical tourism industries within low income countries carries with it a set of potential advantages. Particularly in terms of addressing infrastructure and human resource problems. The attraction for investments, both local and foreign, within health care infrastructures increases with the help of medical tourism. Any infrastructure that is developed will also be accessible to domestic patients, thus creating a win win situation. As medical facilities continue to develop within low income countries; domestic patients are more likely to seek treatments locally, thus revenues are retained within borders (Johnston et al., 2010).

Another immediate advantage stemming from the development of new infrastructure that is necessary for drawing medical tourists is the formation of high skilled jobs required for a strong health care system. It has been noted that the financial (higher wages) and technical (working with advanced facilities) motives for medical practitioners practicing in the medical tourism industry can decrease or even reverse the movement of domestically trained medical staff abroad. Another point that was made is that medical tourism draws a large amount of cash into developing countries, particularly from higher income countries (Johnston et al., 2010).

### 2.4.6. Revenue Implications

The third point made by Johnston et. al was that medical tourism is a revenue generating industry. The industry is a large source of currency for developing countries. Compared to usual tourists, it is estimated the medical tourists that spend twice as much when travelling. Cuba, for example, has been an early
developer within the medical tourism market and has managed to create a self-sustaining industry that is used to fund their own public healthcare system. In some cases in India, exclusive care is given to international patients and the high profits generated are placed back into the system to be used for local patients within nonprofit organizations (Johnston et al., 2010).

However, as medical tourists leave their home countries they are taking their capital with them. This means that although medical tourism is a revenue generating industry, some parties could potentially be losers. Whilst some destination countries have reported massive profits, other home countries have shown revenue losses. This has lead to the development of brokerages within home countries that deal with coordinating the necessary travel and medical arrangements for patients. In return, they charge patients for their services and receive commissions from certain hospitals. These brokers have grown to fill the niche that was, until now, empty and is rapidly developing due to the easy access made available through the Internet. So although the industry has caused a loss in one way for few home countries; it has allowed for profit generation in other ways. Currently, Canada supports over 20 medical tourism agents (Johnston et al., 2010).

2.4.7. Medical Standard Implications

The fourth point made by Johnston et. al on the subject of medical tourism was its ability to impact and create standards for medical care. As the industry developed in poorer countries, their medical standards have increased as a result. The most popular development was the use of international accreditations formed from the basis of Western standards. The Joint Commission International, which is a branch from the leading accreditor of hospitals within the United States, is an example of the development of standards within the healthcare industry. Medical tourism has become more popular partly in thanks to the aforementioned accreditor as it provides patients with guaranteed standards that are equal to those found within hospitals in the United States (Johnston et al., 2010).
The current standards of countries will be improved to meet Western standards and thus local and foreign patients will gain trust within these accredited hospitals. Having said that, although certain hospitals may gain accreditation this does not guarantee that the maintenance and reliability may equal those of Western standards. It may be easy to meet such medical standards, maintaining such standards and staying reliable is another issue (Johnston et al., 2010).

2.4.8. Inequity Implications

The final point made by Johnston et. al was that medical tourism is in certain situations a source of inequity. The industry has been said to cause ‘brain drain’. Due to the high wages and top of the notch equipment available within medical tourism hospitals, many health care related employees are attracted into moving to work for such hospitals. Since these hospitals are mostly located within city centers, the environment of the healthcare system in rural locations worsens as staff migrate (Johnston et al., 2010).

Also, if the medical tourism industry were to really attain the goals that have been forecasted for it; locals may face the daunting possibility of rapidly increasing domestic medical prices caused by the high demands from foreign patients. The profits that are gained from medical tourism are usually returned into the economy by way of investments. These investments, however, are usually aimed at a limited portion of patients and are not always beneficial to the poorer locals (Johnston et al., 2010).

Furthermore, medical tourists traveling from developing countries face possibilities of debt and completely replenished resources as they seek access to medical treatments. This contributes to the inequities associated with medical tourism. Source countries will do little to develop their current healthcare systems if they feel no pressure from locals who choose to find alternative treatments abroad (Johnston et al., 2010).
2.4.9. Summary of Implications

To summarize the five trends of medical tourism and its possible implications, there is still minimal concrete knowledge on the subject and what has been theorized is speculative. The medical tourism industry is one which has been developed through the increasing globalization of the economy. Furthermore, it is an industry which places emphasis on the generation of revenue. The possible negative implications of such trends within the industry could be predicted to affect source and destination countries by destroying or inhibiting the growth of public healthcare systems that are in place (Johnston et al., 2010).

On the other hand, it is possible for medical tourism to develop in such a way as to benefit current healthcare systems. Such an advantageous development would require strict observations and regulations to ensure adequate compensations are made to the domestic population. The mentioned implications have the biggest impact on the following three global fields of both source and destination countries: their healthcare systems, their healthcare policies and their degree of participation within the medical tourism industry (Johnston et al., 2010).

2.4.10. Implications of Implications

There are further implications for the original implications of medical tourism. The conclusion from the above trends stipulate that medical tourism has and will affect the healthcare system of source as well as destination countries. For medical practitioners in source countries, any absence of regulations or scrutiny could result in the loss of patients to other countries. For the healthcare system, this could become a large issue as the distribution of resources would be inaccurate and thus negatively affected. This could possibly create a scenario in which the healthcare system is thought to be negligent towards the public due to the insufficient allocations of resources (Johnston et al. 2010).
Medical tourism also encourages the idea that it is now customary to treat healthcare as a revenue generator, such as replacing clinical considerations with financial ones when deciding on the appropriate treatment for international patients. This ideology could negatively impact the domestic people as they move from a culture of empathy and genuinity to one of financial gain (Johnston et al., 2010).

Destinations that are attempting to draw more foreign investments into their medical tourism industry could in the future find themselves with a fragile infrastructure that has become dependant on the funding of foreign sources. To rely on foreign aid to such an extent could in turn lead to unethical methods of healthcare delivery. Some countries have already contractually agreed, through the international General Agreement in Trade in Services, to hand over the management of their healthcare systems semi-permanently to foreign agents. These foreign agents could cause potential harm to local communities and their healthcare systems if careful consideration is not taken (Johnston et al., 2010).

Also, when arguing that source countries should be appreciative of foreign investments; oftentimes such investments are focused on the development of specialized healthcare facilities rather than basic healthcare services that are required from the majority of the local population (Johnston et al., 2010).

The current nature of regulations within the medical tourism industry have been said to be completely chaotic. This has consequently lead to a lack of progress in terms of creating a stable regulatory response system that would be able to enhance the safety of patients and allow the industry to develop in an ethical and fair fashion. The medical tourism industry consists largely of unethical practices (Johnston et al., 2010).
However, there is much room for positive growth and development in such a new industry. Fair guidelines, for example, could be established to direct all agents within the industry (such as patients and service providers) to a more fair position for experiencing all the potential impacts of medical tourism. Fair buying guidelines have already been established and utilized in developed countries that have experienced firsthand the illegal business practices of the trade. In addition, patient safety could be better protected through the development of stricter malpractice regulations in destination countries as well as improved access to coordination tools in source countries. Governments of source and destination countries would be more capable of planning responsibly when utilizing universal standards for the supervision of medical tourism (Johnston et al., 2010).

### 2.4.11. Limitations of Research on Implications

There are limitations to such research on the implications of medical tourism. Although meticulous steps are taken within reports such as the use of several reviewers and the assistance of experts in creating the research strategy, there is still one main limitation that is consistently present. The limitation being that most reports conducted in English use only English sources. Since medical tourism is an internationally linked trade, it is most probably the case that local reports will be conducted in local languages. Therefore not all relevant literature would be in English only (Johnston et al., 2010).

### 2.4.12. Conclusion of Implications

In conclusion, five trends affecting the medical tourism of source and destination countries were identified (from the report conducted by Johnston et al.). The first trend concluded that medical tourism could be viewed as a user of public assets. For source countries, this could mean using public healthcare assets in order to direct patients to private facilities. For destination countries, this could mean the costs of assets used for treating medical tourism patients post-operatively (Johnston et al., 2010).
The second trend concluded that medical tourism could be used as a method of solving problems within the industry. This is due to the opportunities that are created that allows for the growth of healthcare infrastructures within destination countries. Additionally, the problems of waiting times and increasing costs for locals could potentially be resolved with the aid of medical tourism. The third trend was that medical tourism has become a large revenue generating industry (Johnston et al., 2010).

To summarize the fourth trend; medical tourism is being used as a standard for healthcare. As developing countries aim to achieve international accreditation, they begin to evolve their services and facilities into those that are found within Western civilizations. The fifth and final trend concluded that the medical tourism industry was seeing an increase in discriminatory and illegal acts. This could mean the potential brain drain of medical practitioners moving from the country to the city-side, as well as from public to private sectors (Johnston et al., 2010).

The results of these implications conclude that medical tourism has the potential to greatly positively or negatively affect healthcare systems in source and destination countries, thus creating controversial debates on the subject. The positive aspects of medical tourism may not be generated if strict regulations are not put into place. Without regulations, the industry could develop into a detrimental black hole for the healthcare industry. However, although it would be undoubtedly beneficial to develop such regulations, it has not been put into place until now due to the gaps in the understandings of the implications of medical tourism (Johnston et al., 2010).

In order to overcome these gaps, several steps within the theoretical and statistical aspects of medical tourism need to be taken. For example, definitions of terms should all be unified and recorded theory should follow these definitions. Also, statistics (such as amounts of medical tourists, surgery success rates,
available beds) should be accurately and timely documented. Additional primary research into the subject of medical tourism must also be conducted. Until these steps are taken, the medical tourism industry will most likely continue to be an ambiguous subject (Johnston et al., 2010).

2.5. Future Opportunities for Medical Tourism

The development of medical tourism has been so swift that there is little published theory on the subject, even more so concerning the industry’s future. At the moment, most reports on the future of medical tourism pertain to the industry’s future within India. This is not surprising seeing as India is one of the leading countries providing treatments to international patients. We could very loosely assume that future opportunities for medical tourism that are developing within India could also develop elsewhere (Cooper et al., 2015).

India’s private hospitals are being broadcasted to a large international audience due to the intensive advertising strategies from its stakeholders. The rapid increase of India’s medical tourism industry could be attributed to its numerous heritage sites, religious sites and culturally diverse celebrations. In addition, they possess modern infrastructure, highly skilled English speaking medical staff, superior technology, quality post-operative care, high success rates, reduced waiting times and most importantly, a reduced cost of service (Jose & Sachdeva, 2010).

The Indian medical tourism system also accommodates research and development strategies, developments of research facilities, high standard pharmaceuticals, clinical trials and also the undertaking experimental treatments (eg. stem cell therapy and surrogacy). These services rank India highly within the global scale. There is also a new emerging market of sports related treatments. This market has grown rapidly within India due to the 2010 Commonwealth Games that took place in New Delhi. India also focuses on health tourism aside from medical tourism; offering yoga, meditation courses, ayurvedic courses and other forms of wellness
therapy. From this we could conclude that possible future opportunities for medical tourism may lie in the development of sport treatments (Jose & Sachdeva, 2010).

There is also a future opportunity in the aspect of education for medical tourism. India’s Planning Commission is attempting to implement the continuous updating of medical staff. The National Paramedical Council of India is regulating the standards within the education system to make certain that Bachelors of Medicine and higher programs are following the guidelines set by the Medical Council of India. More specifically in the education programs concerning paramedics and physiotherapy. This future opportunity for educational growth has emerged due to the high confidence of the growth of medical tourism and its effect on private institutions. In India, a two year health management course specializing in medical tourism has been developed. These educational evolutions could continue to grow in the future (Jose & Sachdeva, 2010).

The increasing opportunities for receiving an accreditation is another future prospect for those in the medical tourism industry. Medical facilities around the world are being subject to close surveillance by accreditation agencies. This could be a breakthrough for some countries as accredited facilities are more easily able to attract international clients. It could be said that India’s success within the industry corresponds to their many received accreditations. Several of their private facilities have received ISO: 9001-2000 certification and accreditation from the Joint Commission International. The Board of Quality Council within India has adopted an accreditation procedure that follows those used worldwide (Jose & Sachdeva, 2010).

The current shortcoming of regulations surrounding medical tourism brokerages has granted any person the ability to install a brokerage. This is especially alarming for medical tourists who do not possess the expertise of organizing travel arrangements to receive medical treatments abroad. These private, potentially inept, brokerages are the only source of accessibility to such patients. Although
there is presently no indication within medical tourism theoretical studies that such complications amongst brokerages exist, the lack of regulations leaves an open gap in the market and provides future opportunities for unethical business practices. Such a situation would be better off if prevented sooner rather than later (Johnston et al., 2010).

There are visible knowledge gaps when reviewing the implications of medical tourism. Foremost, there is presently a limited amount of practical research available on the subject. Most accessible sources were found to contain estimates and concepts that were recycled through numerous points of origin until they developed into facts, both in reports and out of it. Readers and researchers must therefore be extremely cautious when relying on the data of such sources (Johnston et al., 2010).

This shortage of empirical-based research, however, provides an opportunity for the development of exploration on the topic. The urgency for such research is growing considering the numerous potential implications of medical tourism and its various effects on the healthcare systems of both source and destination countries. In-depth analysis into the social and health sciences is needed in order to accurately begin to understand the industry. More knowledge gaps will be identified below in order to examine future research opportunities for specialists of the medical tourism industry (Johnston et al., 2010).

Firstly, there are no accurate collections of data on the numbers of patients, the types of treatments received, postoperative success rates, number of relevant establishments and the number of beds available. Currently there are a wide variety of numbers floating around that show extreme variance. This is most likely due to the fact that definitions of terminologies within medical tourism are so diverse (Johnston et al., 2010).
The success to failure ratios of patient treatments are recorded by some institutions, however, without an inspector or the comparison with long-term data, these numbers are not very helpful. This highlights the stark juxtaposition between unreliable data and the thriving reports of successful treatment rates that can be seen in articles, news and business reports. These sources have completely abandoned the process of ensuring collected data is thoroughly accurate and reliable (Johnston et al., 2010).

A method of collecting reliable knowledge on the subject of medical tourism in such a way as to ensure compatibility across nations is direly needed in the future. Such a system would allow for initial observations into the significant characteristics that make up a medical tourist. Such characteristics include gender, age, nationality, citizenship, health condition. These considerations have not been taken into account by most sources. A valid point of origin to start collecting such data could possibly be countries that have begun the implementation of medical visa distribution and requirements. The lack of implementation of a standard system to supervise the flow of medical tourists has made it challenging to compile any relevant data (Johnston et al., 2010).

Additionally, research relating to the regulatory aspects of medical tourism have predominantly been conducted in regards to the legal situation of the United States. This could be useful for larger, high income countries. However, the legal situations of other destinations would need to taken into account in order to cover all aspects of the industry. Setting up a robust regulatory scheme to protect medical tourists, although highly demanded and encouraged, in reality has been near to impossible for researchers to even begin to theorize. Such a scheme, however, would be needed in the future in order to ensure that the distribution of care is ethical (Johnston et al., 2010).
3. Medical Tourism in Austria

3.1. Current Situation of Medical Tourism in Austria

Tourism is one of the most important sectors of Austria’s economy. Whilst all the numerous sectors provide different inputs in terms of value and employment opportunities, the medical tourism sector is a stable one. Medical tourism within Austria covers thermal spa tourism, alpine tourism, medical wellness tourism and health tourism. There are challenges that arise from the industry, especially with the pressures of budgeting and cost control from the health system’s public funding. Particularly in terms of hospital and patient care costs. However, medical tourism is rapidly developing and is showing promise in terms of providing opportunities for the Austrian tourism industry. In conclusion, the medical tourism trade within Austria is thriving (BMWF, 2014).

The medical tourism industry within Austria is not regulated nationally, but rather it is regulated according to states. In Lower Austria, for example, medical tourism and health tourism are two separate advertising entities. In Tyrol, medical tourism is used as a means of boosting the economy within certain locations. Salzburg is also developing its own medical tourism market. Unfortunately most tourism organizations within these states do not report any data on the state of their medical tourism since definition gaps are still too large. For this reason new strategies have been developed to encourage the advancement of medical tourism empirical research within Austria (BMWF, 2014).

When comparing medical tourism segments between 2011 and 2014, there has been a slight shift in numbers. In 2011, wellness tourism was in the lead holding 78% of the the overall Austrian market. Spa tourism followed with 10%, medical wellness with 9% and alpine wellness with 3% of the market. In 2014, wellness tourism still held the majority of the market share with 73.8%, spa tourism with
13.5%, medical wellness with 9.4% and alpine wellness with 3.3%. From this data we can see that there was a 4.2% decrease in the market share of wellness tourism and a 3.5% increase in spa tourism (BMWF, 2014).

The Austrian medical tourism industry could in theory account for 18,253 establishments. These establishments include hotels, hostels, recreation centers, sanitariums and shelters. 395 of these establishments are located in Tyrol, 235 in Salzburg, 122 in Carinthia and more are within the other states of Austria. However, only 6.7% (1,224 establishments) are currently assuredly belonging to medical tourism. Burgenland has the highest medical tourism to standard business establishment ratio, with 46 out of the total 408 state establishments belonging to medical tourism category (11.3% of total establishments). Vorarlberg follows with 9.5% and Steiermark with 8.4%. In 2011 there were only 976 medical tourism establishments recorded. Compared with the 1,224 total medical tourism establishments in 2014, there has been a noticeable 25.4% increase (BMWF, 2014).

The total available beds within the medical tourism industry of Austria equate to 140,575. Commercially, there are 727,314 beds available. Therefore 19.3% of total available beds are used for medical tourism purposes. Burgenland holds the highest medical tourism to commercial available beds ratio with 6,108 beds out of 18,255 (33.5%). In all states except Vienna, more than 15% of the available beds are used for medical tourism purposes. This shows the growing importance of medical tourism within Austria (BMWF, 2014).

Compared to the other segments of medical tourism in Austria, medical wellness in 2014 accounted for only 125 establishments out of the 18,253 medical tourism establishments (0.7%). In 2011, medical wellness accounted for 88 establishments only. Within the span of three years there was an establishment increase of 42% within the industry. The number of beds within the medical wellness segment
increased from 8,500 to a staggering 17,492 beds. 24% of these beds are located in Styria, followed by 19.8% in Tyrol (BMWFW, 2014).

Austria possesses a local accreditation system for their hospitals. The Austrian Federal Hospital Act has ensured the quality of local medical facilities since 1993. In 2014, two hospitals and four rehabilitation centers within Austria were accredited by the Joint Commission International. The medical practitioners of Austria are world renowned. Characteristics of the Austrian healthcare system include short waiting periods, speedy first aid services and top of the notch drug development facilities. These characteristics place Austria’s healthcare system on an elevated position within the medical industry. Additionally, since winter activities are prominent within Austria; there is an emphasis on sports related care (Health-Tourism, n.d.).

In conclusion, medical tourism is becoming decidedly more important to the Austrian economy both in terms of a rapid increase in the number of establishments as well as beds (compared to data taken from 2011). Although the focus of Austria will continue to take aim towards their larger segment of wellness tourism; medical wellness is steadily gaining momentum within the industry (BMWFW, 2014).

3.2. Future Opportunities for Medical Tourism in Austria

Development of the medical tourism industry in Austria within recent years has been steady and the addition of further improvements is likely. The critical points that are expected to influence the growth of the medical tourism industry within three to five years include: health consciousness, the financial infrastructure and the general economic environment. Surprisingly, population change was not mentioned as a factor that could affect the industry (Kohl & Partner, 2009).

The market situation has been said to be highly competitive and is naturally expected to worsen as new competitors enter the market. More specifically, the
main competition has now focused on targeting a younger market of 45 to 50 year-olds. Additionally, a slight price increase is expected within Austria’s medical tourism industry. This could negatively affect their market since prices within Austria, or Western Europe in general, are quite high on average. Also, two categories of tourist durations are witnessing a rise in frequency: short durations of three days (or less) and longer durations of two to three weeks (Kohl & Partner, 2009).

Based on trends, there are various potential future opportunities available for Austria’s medical tourism industry. Firstly, a strategy focusing on the improvement or maintenance of quality could be beneficial seeing as quality is a highly valued characteristic concerning Austria’s medical tourism. The strategy could potentially target the future quality of customer service as well as price-value ratios, since these factors are important for the future of their medical tourism industry (Kohl & Partner, 2009).

Another future opportunity is the diversification of traditional services that are being offered within the market. Offering new and modified services has seemingly been seen to attract additional customers within Austria, especially concerning the technical and physical aspects of said services (Bundesministerium Für Gesundheit, 2013). Additionally, Austria has the potential opportunity to add local characteristics to its product in order to gain a competitive advantage and differentiate itself from competitors within the medical tourism industry (Kohl & Partner, 2009).

3.3. **SWOT Analysis of Medical Tourism in Austria**

Table 1: SWOT Analysis of the Medical Tourism Industry in Austria

<table>
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<tr>
<th>Strengths</th>
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<td>● High medical standards</td>
<td>● High cost of medical services</td>
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<tr>
<td>● High service quality</td>
<td>● High cost of living</td>
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Table 1 categorizes the properties of Austria’s medical tourism industry into four sections: strengths, weaknesses, opportunities and threats. Strengths include high medical standards, high service quality, highly experienced staff, safe environment and specialized treatments. Weaknesses include high cost of medical services, high cost of living and a language barrier. Opportunities include the offering of niche services and the industry growth. Finally, threats include political unrest within Europe as well as potential brain drain.

### 3.3.1. Strengths

There are numerous strengths that Austria’s medical tourism industry possesses. Austria is renowned for their high standards of medical facilities and services. Modern technology and equipment is an integral component of their healthcare system. The quality standards of such facilities and services in Austria are supervised by the Federal Institute for Quality in the Healthcare System (Bundesministerium, 2013). The nation is also home to highly experienced medical practitioners that have been trained within Austria’s globally acclaimed medical education system. (Austria Export, 2011).

The quality of life and safety available to the public within Austria is another factor that could play into the strengths of their medical tourism industry. Medical tourists would be more willing to travel to a destination country that offers a stable and secure environment. Also, with the high standard of living, patients...
would be more capable of recovering from treatments within the haven offered by Austria. The nation’s high standards of living are represented by its developed infrastructures, minimal crime rates and advanced social security measures (OECD, 2015).

Additionally, Austria is able to provide the luxury of specialized treatments to medical tourists. Whilst other destinations may focus on medical tourism in general, Austria boasts sport, spa as well as wellness tourism within its arsenal. The Wiener Privatklinik, for example, provides outstanding services in the fields of orthopedics, sport traumatology, physical therapy and accident surgery. There are numerous medical facilities that provide similar, niche treatments to tourists (Austria Export, 2011).

### 3.3.2. Weaknesses

On the other hand, there are also weaknesses within Austria’s medical tourism industry. The most noticeable being that costs of medical treatments are considerably higher than those offered in other areas of the world. The price of a heart bypass within Germany (offers similar prices to those found in Austria) amounts to 17,000 United States dollars, whereas the same procedure would cost 9,000 United States dollars within India. However, Austria and Germany still offer lower prices compared to those in the United States, with a price of 130,000 United States dollars for a heart bypass (Omay & Cengiz, 2013).

Also, the costs of living within Austria are relatively high. Prices of accommodations and groceries, for example, are higher than those found in Asia. The price of a meal in Austria could range from four to forty euros, whereas in Asia it would be easily possibly to purchase a meal for as little as two euros. These high costs could drive away potential medical tourists, especially since their main reason for seeking treatment abroad is to reduce costs (Health-Tourism, n.d.).

The language barrier for foreign-speaking medical tourists arriving to Austria, a German speaking nation, could pose a problem. Patients could be discouraged
when seeking treatment within Austria if communication is difficult, especially due to the importance of accurate communication when dealing with health issues (Pöchhacker, 2000).

In a study conducted within Austria, 95% of 508 medical practitioners reported that they had attended to non-German speaking patients. This percentage reached 98% when considering doctors only. These medical practitioners stated that a only a few members of staff were able to directly communicate with foreign-speaking patients without the additional help of a third party. From those who reported that they were able to communicate with foreign-speaking patients without a third party, only 7% specified that English was used as a mode of communication. The remaining respondents used simple German or basic body gestures. 48% of total respondents states that this issue was frequently a problem (Pöchhacker, 2000).

3.3.3. Opportunities

In terms of opportunities for medical tourism within Austria, there are potentials for product development and industry growth. Medical tourists were found to have been attracted to treatments and packages that offered unique, customizable services. There would therefore be an opportunity for Austria to offer unique, modified treatments that differ from those traditionally offered. Also, there has been a steady growth within the medical tourism industry globally. For Austria, especially in terms of wellness, spa and sport-health tourism. Focusing on this opportunity for growth within the market could be beneficial, seeing as Austria is already a strong market leader within those categories of medical tourism (Kohl & Partner, 2009).

3.3.4. Threats

When touching upon potential threats to the medical tourism industry of Austria, there are issues concerning political unrest within Europe, as well as the potential brain drain of Austrian medical practitioners. Political unrest within Europe has increased amidst the growing fears of terrorism and migration. Additionally, there
have been issues concerning Greece and their debt crisis, the United Kingdom referendum on the European Union membership situation as well as the resurgence of Russia. The future has become less predictable as a result, thereby creating uncertainty for all industries, including the medical tourism industry (Archick, 2016).

Austria also suffers from the brain drain of their medical practitioners. Around 53% of Austrian students studying at public medical universities stated that going abroad to develop their careers was of interest to them. Of these, the majority (70%) reported this was based on the grounds of receiving higher wages. Austria’s minimum wage for doctors was reported to be 2,090 euros according to a study by the European Federation of Salaried Doctors. This is considerably lower than those offered by other nations within the European Union. Denmark boasts wages of 8,333 euros, Netherland with 6,300 euros and Belgium with 6,250 euros (Spence, 2015). If wages continue to stay at minimum levels, Austrian medical practitioners may choose to migrate, thereby reducing the quantity and quality of staff within the Austrian medical tourism industry (Kattinger, 1024).

4. Benchmarking Medical Tourism in Austria with Other Countries

Various nations are attempting to develop and promote medical tourism, an industry which offers numerous opportunities for economic growth. The top runners include destinations such as India, Malaysia, Thailand, Singapore, Hungary and Poland. These nations are creating unique selling points for themselves in order to develop a stronger competitive advantage within the market. These selling points are then advertised and marketed amongst international trade shows, healthcare conferences and industry meetings (Lunt et al., n.d.).

Table 2: Imports of Healthcare Services in 2009 and Changes from 2004
Table 3: Exports of Health-related Travel in 2009 and Changes from 2004

Table 4: Medical Travelers by Point of Origin
Table 2 shows that Luxembourg is the largest source of imports of healthcare services with 9.49% of total health expenditure in 2009, followed by Iceland with 1.11% and Portugal with 1.02%. Austria ranked twelfth place with 0.2% of total health expenditure. Austria, however, experienced an annual growth rate of 13.2% from 2004 until 2009 (Kelley, 2013).

Table 3 shows that the Czech Republic was the largest exports of health-related travel with 3.58% of total health expenditure, followed by Hungary with 2.08% and Poland with 1.62%. Austria ranked twentieth place with 0.03%, followed only by Iceland in last place with 0.02%. Again, Austria experienced a growth. This time an annual export growth rate of 5.7% from 2004 until 2009 (Kelley, 2013).

Table 4 shows that most medical tourists travelling to Europe originate 10% from Europe, 1% from Asia, 4% from Africa and 8% from the Middle East. The bulk of European medical tourists travelled either to North America (33%), the Middle East (13%), Latin America (5%) or to Asia (39%) (Kelley, 2013).
5. Summary and Conclusion

There has been a steady growth within the medical tourism industry in recent years. Until today, there is still a lack of unified definitions for certain terms that are commonly used within the market. This has led to an abundance of theoretical assumptions, a lack of empirical information and a missing standard collection of data and statistics. The consequence of this has translated into literature that shows considerable inaccuracy and inconsistency, leaving confusion and uncertainty in its wake (HOPE, 2015).

Additionally, there are only a few countries who keep records on the number of medical travellers who are entering and exiting their borders. Furthermore, numerous countries have been said to exaggerate data regarding the industry as a means of creating one for themselves. Because of this, there are many disagreements on the actual size of the medical tourism industry (Labonté, n.d.).

Medical tourism adds up to two percent of the overall world tourism market and up to four percent of the worldwide hospital admissions (OMT, 2011). Due to the future forecasts of increased life expectancy as well as the developing medical and technological fields within the industry; an increase in the number of medical tourists is expected (Freire, 2012).

Asia has been the top runner in the medical tourism industry, with other countries attempting to follow suit and obtain a portion of the market share. They have used the industry as a means of attracting potential foreign customers, thereby increasing revenues (Connell, 2006). Also within Europe, numerous countries have started to use medical tourism as a way to generate more tourism revenues. Austria and Germany for example, both German speaking countries, are popular destinations for medical tourists (Tourism-Review, 2014).
European studies concluded that medical tourism experiences the same movements as that of the mobility of workers within the European Union. As far as medical tourism in Austria is concerned, most patients are expected and seen to come from countries within the European Union (Freire, 2012). The Austrian medical tourism industry is forecasted to grow by 11.1% whereas Germany is expected to grow only by 2.4%. Austria has an advantage of being renowned for its high quality medical facilities and wellness spas (Tourism-Review, 2014).

We were able to conclude that although the estimate of 5 to 6 million global annual medical tourists may be reasonable, such forecasts and data should be interpreted very carefully. These forecasts could be seen as having been exaggerated in order to accommodate the commercial aspects of the medical tourism industry by creating an artificial image of rapid market growth (Labonté, n.d.).

The development of the industry has been driven by factors generated by destination countries, usually out of the control of source countries. The market shows promising opportunities as well as potential threats and challenges. Additionally, the developing trends that are being seen within the industry will result in implications for the healthcare systems of developing as well as developed nations (Horowitz et al., 2007).

Implications of medical tourism could impact areas such as a nation’s financial standpoint, their healthcare systems, their public resources and their medical standards. Before summarizing the potential implications of medical tourism, we should note that there is still minimal concrete knowledge on the subject and what has been theorized is speculative. The medical tourism industry is one which has been developed through the increasing globalization of the economy. Also, it is an industry which places emphasis on the generation of revenue (Johnston et al., 2010).
The negative effects of implications within the industry could be predicted to affect source and destination countries by destroying or inhibiting the growth of public healthcare systems that are in place (Johnston et al., 2010).

Medical tourism also encourages the idea that it is alright to treat healthcare as a revenue generator, such as replacing ethical decisions with financial ones when deciding on the appropriate treatment for international patients. This ideology could negatively impact the domestic people as they move from a culture of empathy and genuinity to one of financial gain (Johnston et al., 2010).

On the other hand, it is possible for medical tourism to develop in such a way as to benefit current healthcare systems. Such an advantageous development would, however, require strict observations and regulations to ensure adequate compensations are made to the domestic population. Implications have the biggest impact on the following three global fields of both source and destination countries: their healthcare systems, their healthcare policies and their degree of participation within the medical tourism industry (Johnston et al., 2010).

The potential challenges that may arise could include an increase in the frequency of inequitable behaviour amongst the healthcare industries, the development of a two-tiered healthcare system, domestic brain drain (between rural and urban locations as well as private and public sectors) and also possibly destroying the nation’s culture of attempting to help the local population first (Johnston et al., 2010).

The reasons behind medical tourists’ decision making process is still not fully clear. In-depth analysis into medical tourists and the factors affecting their choices of destination needs to be further developed. The actual healthcare systems of individual nations, on the other hand, is more easily understood. In order to meet a growing demand, destination countries invest in their public and/or private healthcare systems in the hopes of generating additional revenue. The issue with
brokerages and their current regulatory freedom still exists, and future regulations should be implemented in order to prevent any injustices within the system (HOPE, 2015).

In terms of how a growth within the medical tourism industry of Austria would affect the nation, there are various points that could be made. The actors that could potentially be implicated include the general public, enterprises and the government. A developed medical tourism industry could offer reduced dependencies on cyclicality and seasonality, the opportunities of developing related high-income industries, expanding the nation’s tourist market and decreasing the probabilities of brain drain (Wendt, 2012).

However, while the growth of the industry could lead to decreased brain drain in one aspect, it could also lead to increased brain drain in another. Due to the high wages and top of the notch equipment available within medical tourism hospitals, many healthcare related employees may find themselves lured into moving to work for such hospitals. Since the wellness centers of Austria are mostly located within the countryside, the environment of the healthcare system in urban locations may deteriorate slightly as staff choose to migrate (Johnston et al., 2010).

The growth of medical tourism could allow Austria to further secure its economy through decreasing dependency on other select industries. This is especially true for nations which rely heavily on tourism, a seasonal or cyclical industry, as a source of revenue. The healthcare facilities of the medical tourism industry, through strategic scheduling and forecasting, could attract potential customers year-long, also during the low seasons experienced by tourism (Wendt, 2012).

There is also the potential benefit of expanding Austria’s tourism market to those seeking a high-quality medical service. These medical tourists are less price sensitive and seek the standards of medical care that Austria has to offer. Additionally, the growth of the medical tourism industry could encourage further
thought, investments and reconsiderations into the education and salaries of the nation’s medical practitioners (Wendt, 2012).

Medical tourism could potentially offer many benefits to Austria if growth continues steadily within the future. There are, however, challenges and threats that should be duly noted and prevented to the best of the nation’s abilities in order to ensure an equitable and productive development.
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