KIRTANE & PANDIT

Analysing India's Medical Tourism Boom

HEALTHY HORIZONS

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1. EXECUTIVE SUMMARY

Medical tourism (or Medical Value Travel (MVT) as termed in India) is essentially the practice of travelling to another country to receive medical care or treatment. Medical tourists cross international borders for medical treatments that either may not be available in their own country, or to avail the benefit of relatively inexpensive healthcare facilities in other countries.

The global medical tourism market was valued at around USD 115.6 billion in 2022 and is projected to increase to USD 286.1 billion by 2030 according to the Federation of Indian Chambers of Commerce and Industry (FICCI), growing at a Compound Annual Growth Rate (CAGR) of 10.8% between 2022 and 2030. Around 14 million people on average travel to other destinations for medical treatments per year.

India is one of the top 10 destinations in the world for medical tourism, with 5 lakh inbound medical tourists on average visiting India every year. The medical tourism market in India is expected to grow at a CAGR of 21.1% between 2020 and 2027. The market in India was valued is estimated at around USD 6 billion in 2022 and is projected to increase to USD 13 billion by 2026.

India's success as a medical tourism hub is mainly attributed to highly skilled and experienced doctors and nurses, advanced medical technology and state-of-the-art facilities, internationally accredited hospitals, low cost of medical treatment as compared to the cost of the same treatments in other countries (65-90% lower as compared to the US), shorter wait times, and India's attractiveness as a cultural and heritage tourism destination. India's medical sector has been making strides, with robotics surgeries being performed on a routine level, and advanced level research being carried out, including stem cell research, gene therapy, and cancer research.

Notably:

- According to the Ministry of Tourism, 7.4% of all foreign tourists travelled to India in 2023 for medical purposes, i.e., on a medical visa.
- Medical tourists can save around 94% on the cost of heart bypass surgery performed in India as compared to the US. Americans opting for dental implants in India instead of the US can save around 70% of the cost, whereas the savings are almost 81% for those getting knee replacement surgeries in India instead of the US.
- Indian hospitals have international accreditation. 53 hospitals in India are accredited by the Joint Commission International (JCI) and over 1600 hospitals are accredited by India's National Accreditation Board for Hospitals & Healthcare Providers (NABH), which is also internationally recognized.
- In June 2024, the first set of robotic surgeries were successfully performed at the Malabar Cancer Centre in Thalassery, Kerala, and will now be held on a routine basis.
- India's Medanta Hospitals has found a spot in Newsweek's list of top 250 hospitals in the world for the fifth consecutive year in 2024. The list is released based on Newsweek's global survey conducted in partnership with Statista Inc.

  India's Narayana Health Hospital secured a Guinness World Record in 2023 for conducting the highest number of ECGs in a single day at a single venue.

The 'Heal in India' brand (which is promoted by the government as a sub-brand of 'Incredible India' on all digital and medial platforms) targets holistic healing using the AYUSH sector (Ayurveda, Yoga, Naturopathy, Unani, Siddha and Homeopathy). The government is also developing a one-stop-shop solution - the Medical Value Travel (MVT) portal to improve convenience for medical patients. The government has also published the 2022 National Strategy and Roadmap for Medical and Wellness Tourism.

The COVID-19 pandemic severely impacted the medical tourism sector owing to restrictions on international travel and the burden on global healthcare infrastructure facilities. The number of inbound medical tourists visiting India fell from 7 lakh in 2019 to 1.8 lakh in 2020. However, the sector has shown a magnificent recovery post-pandemic. An estimated 7.3 lakh medical tourists are expected to visit India in 2024 as per Crisil Research (as compared to 6.1 lakh in 2023). This is the first time the number of inbound patients will come close to pre-Covid numbers. Telemedicine also stood out as an important factor in the healthcare industry, as demonstrated by the success of India's telemedicine service, eSanjeevani OPD.

The healthcare sector is also adopting Artificial Intelligence (AI) for drug discovery and design, clinical trials, data analysis, and in hospitals for improving patient communication, health records and documentation, and for patient care planning. Growth opportunities in the sector also include broad areas such as the increased need for brand promotion and marketing by the government to attract international patients from developed countries, establishing a regulatory framework for standardising medical tourism business practices and for addressing legal complications, building state-of-the-art health infrastructure, health insurance portability, and public-private partnerships between the governments and private players.

The medical tourism sector is expected to contribute significantly in terms of foreign exchange earnings, employment generation, and FDI inflows. The growth of this sector goes hand in hand with the growth of connected industries such as healthcare, tourism and travel, food and hospitality, aviation, wellness, pharma, and many more.

The future growth of India's medical tourism sector is influenced by four significant trends – the AYUSH system, robotic surgeries, surgical camps, and startups. There is tremendous scope for the government as well as private players to develop the sector together in order to make India the world's medical tourism hub in the next decade.

2. UNDERSTANDING MEDICAL TOURISM

Medical tourism (or Medical Value Travel (MVT) as termed in India) is essentially the practice of travelling to another country to receive medical care or treatment. Medical tourists cross international borders for medical treatments that either may not be available in their own country, or to avail the benefit of relatively inexpensive healthcare facilities in other countries. While patients are free to avail a range of medical services, the most common services sought in medical tourism are dental treatments, cosmetology, elective surgeries, and fertility treatments.

India is one of the top 10 destinations in the world for medical tourism. Historically, India has always been well-known across the world for traditional medicines such as Ayurveda and yoga. India has now advanced in modern medicine as well, with state-of-the-art hospitals and clinics equipped with the latest medical technologies, availability of experienced doctors and skilled healthcare professionals, and cost-effective treatments as compared to developed countries.

A Brief History of Medicine and Medical Travel

- Herbal medicine and Ayurveda has been present in the Indian civilisation since at least 3000 BC.
- The earliest known health spas were built by the Sumerians around hot springs in 4000 BC.
- The ancient Greeks are said to be the pioneers of the science of medicine.
- Hippocrates, who is also known as the father of medicine, began to scientifically study the human body in the 4th century BC. He was followed by Aristotle, who began the study of anatomy in animals in 324 BC.
- The Greeks also laid down the first foundation for medical tourism. The Asclepiaia Temples were some of the world's first healing centers which were visited by people from around the world. By 300 BC, many Greek healing temples and thermal baths had flourished.
- The Renaissance Age was monumental in the study of medicine. With the invention of the printing press and the study of anatomy by artists such as Leonardo da Vinci, the understanding of medicine and complex human systems increased rapidly.
- From the 16th century onwards, affluent and middle-class Europeans began travelling to spa towns for healing purposes. By the 18th century, the Americans also joined in the practice. Tourist towns sprung up all over the world and luxury travel began to flourish.

There is a difference in wellness tourism and medical tourism. Wellness tourism is travel for the purpose of maintaining one's wellbeing and is proactive, i.e., it includes practices to enhance the health and quality of life. Medical tourism, on the other hand, is reactive and involves travel for seeking treatments for existing maladies and injuries or for elective surgeries.

- In 1933, the American Board of Medical Specialties (ABMS) was formed. The European Union of Medical Specialties (UEMS) was established in 1958. These organisations helped set a standard of care for health practices around the world.
- In the 1960s, after the advent of the New Age in the US, many Americans and Europeans began to travel to India for spiritual healing, and thus yoga and Ayurveda were rediscovered in the West.
- With the rising cost of healthcare in the US, many patients began considering medical treatment in Central America. In the 1980s and 1990s, countries such as Cuba and Costa Rica witnessed an influx of patients seeking medical care.
- In 1994, the Joint Commission International (JCI) was established to investigate international healthcare facilities for compliance with international standards.
- In the early 2000s, nearly 20,000 medical tourists visited Costa Rica for dental and cosmetic surgeries.
- In 2010, almost 1.5 million Americans travelled abroad for medical treatment (almost twice the number as compared to 2007).
- With JCI accreditation, hospitals in India, Thailand, and Singapore received international recognition. These countries were offering cheaper medical treatments than the US and Europe, and medical tourism in Asia began to boom.

In the 20th century, patients would travel from less-developed countries to well-developed countries to access better healthcare and advanced medical technologies. In the 21st century, however, the medical tourism industry across the world is experiencing a shift where patients from more developed countries visit less-developed countries to access high-quality healthcare facilities at a low cost, thanks to cheaper flights and travel cost in such countries, and access to information through the internet.

How Does Medical Tourism Work?

Business Model

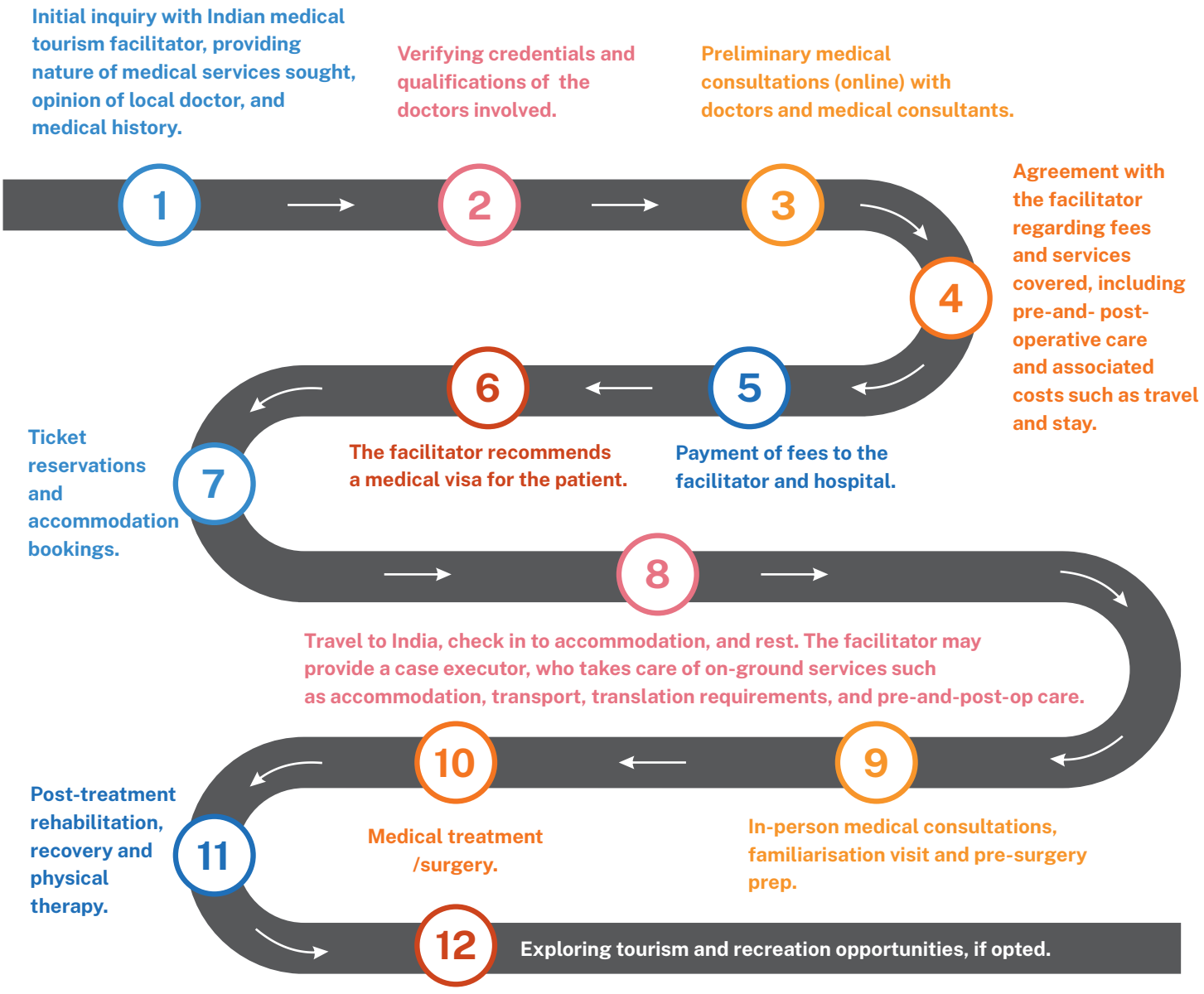
A medical tourism business or medical tourism facilitator/agent acts as the intermediary between foreign patients seeking medical care and hospitals/healthcare providers that offer treatments.

A medical tourism facilitator must have a network or tie-ups (along with legal contracts) with top hospitals and healthcare providers in the country. The facilitator also provides associated services to foreign patients, including visa support, travel planning, accommodation and on-ground transport, translators, retailers, legal and banking services, etc.

HealthTrip, ClinicSpots, Peace Medical Tourism, and Vaidam are a few of the top medical tourism companies operating in India. HealthTrip is an Indian medical tourism platform which uses technologies such as artificial intelligence (AI) and virtual reality (VR) to provide personalised medical treatment via the internet.

The Medical Tourism Process

An inbound patient travelling to India for medical treatment generally follows below process:



“Health is a state of body

Wellness is a state of mind”

- J. Stanford

Accreditation

Accreditation, licensing, and certification are the most important starting points for a medical tourism business. A medical tourism facilitator must be properly licensed and certified. It must also have tie-ups with accredited hospitals to provide reassurance of medical care as per international standards.

The oldest international accrediting body is Accreditation Canada. In 1994, the Joint Commission International (JCI) was established. These international healthcare accreditations provide reassurance to patients that the medical services provided conform to international standards. Apollo Hospitals was the first JCI-accredited hospital in India.

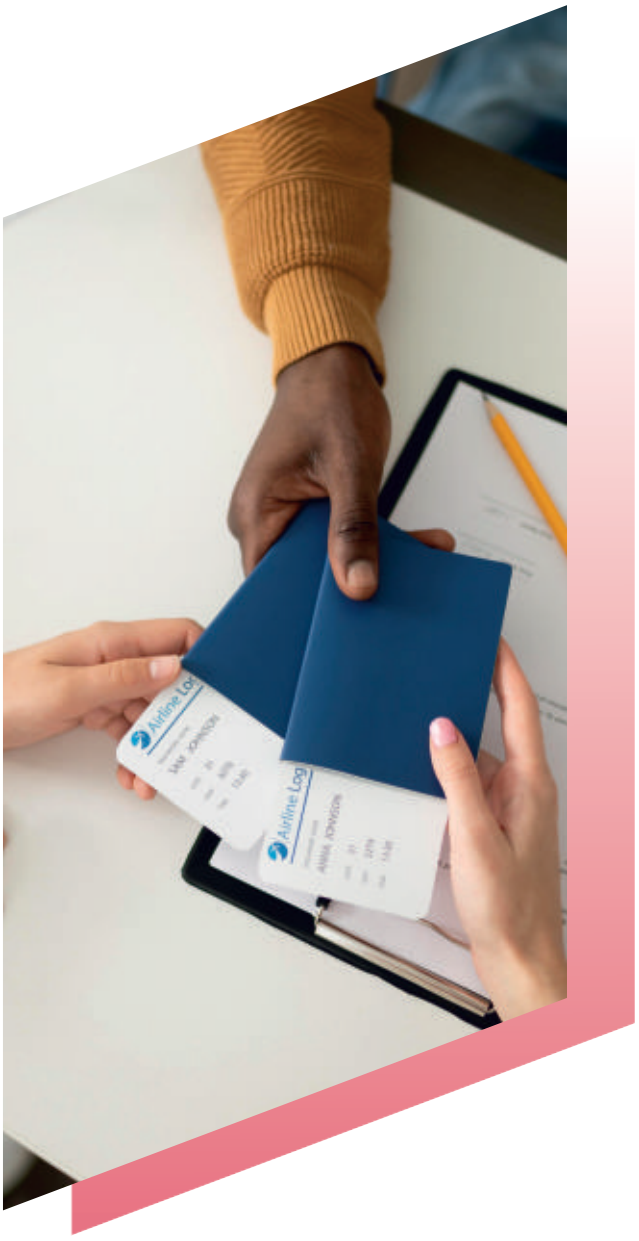
India's National Accreditation Board for Hospitals & Healthcare Providers (NABH) was set up in 2006. There are presently 1600+ NABH-accredited hospitals in India. NABH accreditation is not mandatory; however, the International Society for Quality in Healthcare (ISQua) has accredited NABH, and therefore, the hospitals accredited by NABH have international recognition.

NABH, in turn, provides accreditation to medical tourism facilitators (so far, this segment has been largely unregulated in India). At present, over 22 medical tourism facilitators have been accredited by NABH.
A medical tourism certification can also be obtained by facilitators from the Medical Travel Quality Alliance (MTQUA) or any other independent organisation that certifies the non-medical services of the medical tourism business.

Medical Visa

The Indian government allows foreign nationals to apply for a medical e-visa if they are traveling to India for the purpose of medical treatment. A medical attendant visa category is also available. A medical e-visa is granted for 166 countries, and the duration is up to a year (maximum 90 days duration of stay per visit). Further, foreign tourists visiting India may convert their visa to a medical visa in case of sudden medical emergencies.

In 2023, the government created a new category of Ayush visa for treatment under Ayush systems, i.e., alternative systems of medicine such as therapeutic care, wellness, and yoga. India's health ministry is also working on further easing the medical visa norms for patients and their companions visiting India for treatment.



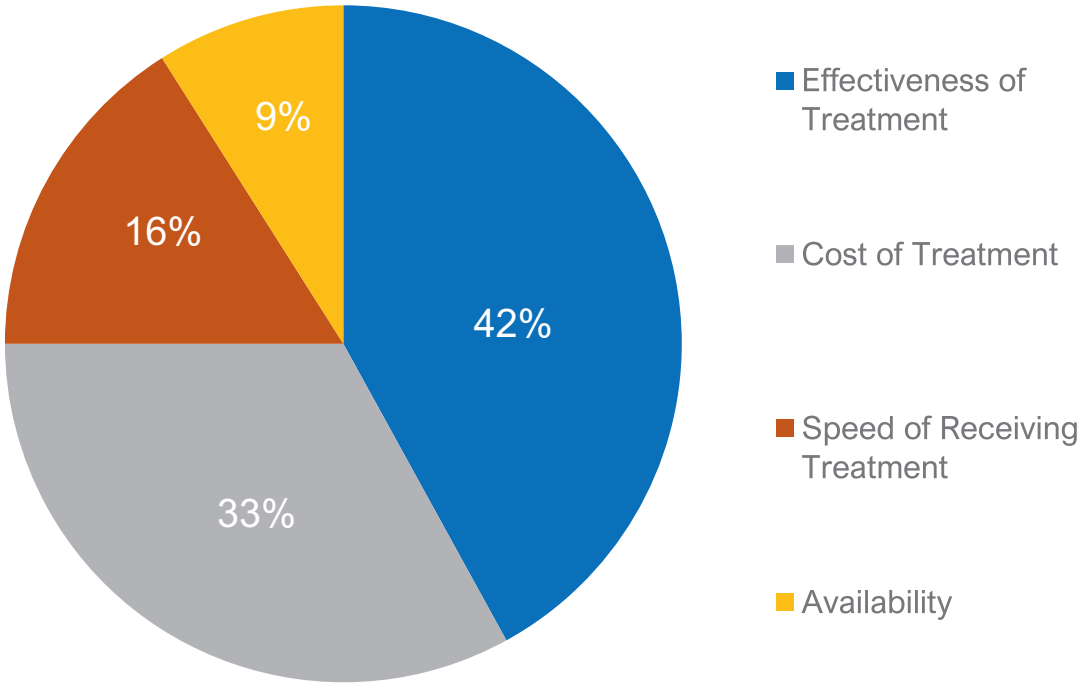
3. GLOBAL MEDICAL TOURISM MARKET OVERVIEW

The global medical tourism market was valued at around USD 115.6 billion in 2022 and is projected to increase to USD 286.1 billion by 2030 according to the Federation of Indian Chambers of Commerce and Industry (FICCI), growing at a Compound Annual Growth Rate (CAGR) of 10.8% between 2022 and 2030. Around 14 million people travel to other destinations for medical treatments per year.

According to a report by Market.us, an independent market research firm, the Asia Pacific region is the largest market for medical tourism, accounting for 75% of the global market in 2021.

Drivers for Choosing Medical Tourism Destinations

According to the Medical Tourism Association, the main drivers behind choosing a country for treatment are:



Effectiveness of treatment and low-cost treatment are the most important factors for choosing a destination for medical treatment. The cost of treatment is high in western countries. According to the Indian Department of Tourism, medical expenses in India are 65-90% lower than the costs in the US (see the following section for a detailed cost comparison).

Lower wait times and availability of doctors are also considered by patients. The US and many European countries, including countries that cover up to 90% of healthcare expenses, such as Sweden, often have high waiting times for medical treatment, whereas countries such as India and Thailand have almost little to no wait time, enabling fast-tracking of medical care.

While geographical proximity is an obvious factor for selecting a healthcare facility, many patients, especially those opting for non-life-threatening medical treatments, also factor in the travel and tourism aspects, such as the culture, heritage and recreational opportunities while choosing a destination for availing medical services.

"Health
is a State of Mind
Wellness
is a State of Being"
-Tourism India

Infrastructure and Verticals Involved

A wide range of medical treatments can be availed via medical tourism. The most common medical services include:

- Cosmetic surgery (liposuction, breast augmentation, facelifts, tummy tucks, eyelid surgery, and rhinoplasties).
- Dental treatments (cosmetic and reconstructive).
- Cardiology / cardiac surgery (by-pass, valve replacement).
- Orthopaedic surgery (hip/knee replacement, joint surgery).
- Bariatric (gastric) surgery.
- Fertility treatment (reproductive, IVF, gender reassignment).
- Organ/tissue/cell transplant.
- Eye surgery.
- Oncology treatments (breast, prostate, blood, brain, kidney, lung, cervical, colorectal, ovarian, and thyroid).
- Diagnostics and health check-ups.

In addition, there is also a growing trend around the world of patients travelling abroad for treatments that are illegal or controversial in their native country, such as abortions, doctor-assisted suicides, and gender selection through IVF. Within Asia, gender selection is allowed in Thailand, while it is illegal in India, China, Nepal and South Korea.

Dental Tourism

According to Future Market Insights Inc, an independent market intelligence firm, the global dental tourism market size is estimated at USD 8.81 billion in 2024 and is expected to reach USD 31.44 billion by 2034, growing at a Compound Annual Growth Rate (CAGR) of 13.6% between 2024 and 2034.

Popular destinations for dental tourism include Mexico, Thailand, and India. The Asia-Pacific region holds a significant market share in dental tourism owing to many high-quality multi-speciality dental clinics offering services at a low cost. For instance, dental implants cost around USD 5,500 in the US as compared to USD 850 in Mexico, USD 800 in Costa Rica, USD 1720 in Thailand, and USD 450 in India. This means that Americans opting for dental implants in India instead of the US can save around 70% in the cost of treatment.

According to Future Market Insights Inc., the dental tourism market in India is expected to grow at a CAGR of 18% between 2024 and 2034, demonstrating a higher growth rate than the global dental tourism market (CAGR of 13.6%) and that of Mexico (CAGR of 12.5%).

Fertility Tourism

According to Grand View Research, an independent market intelligence firm, the global fertility tourism market size was estimated at USD 417.5 million in 2021 and is expected to grow at a Compound Annual Growth Rate (CAGR) of 30.33% between 2022 and 2030. The fertility tourism market was dominated by Turkey, with a share of 42.19% in 2021, as per a report by Grand View Research. Spain is also emerging as an attractive market for reproductive tourism.

The growth in the fertility tourism market is characterised by an increasing rate of infertility - the global annual infertility rate among couples was 35% as per a 2021 report by the Centers for Disease Control and Prevention (CDC). Other factors include the rise in medical tourism due to better accessibility to fertility services around the world and the low cost of treatment in developing countries such as India or Thailand.

As per data by the Nova IVF Center, Bangalore, almost 49% of international patients in India in 2023 visited Nova IVF for fertility treatment. The majority of these patients were from Asia and Africa.

Cosmetic Surgery

Cosmetic surgery is a segment that has been predicted to show the highest growth and is also predicted to be the major contributor to the global medical tourism market, as evidenced by the following statistics:

- In 2023, the cosmetic surgery segment was valued at USD 4.5 billion.
- A report by the American Society of Plastic Surgeons (ASPS) revealed a 19% increase in cosmetic surgeries in the US between 2019 and 2022.
- In 2022, the maximum number of cosmetic surgeries were performed in the US (22%), followed by Brazil (8.9%), and Japan (7.3%) as per a report by the International Society of Aesthetic Plastic Surgery (ISAPS).
- In 2022, eyelid surgery accounted for 65% of all cosmetic treatments in Japan as compared to 6% in the US, according to an article published by G/O Media Inc.

Cosmetic surgery tourism is driven by high waiting time, cost constraints, or, in some countries, legal requirements.

In 2020, cosmetic surgery procedures fell by 11% in the US as compared to 2019, according to a survey by the International Society of Aesthetic Plastic Surgery (ISAPS). A report by the American Society of Plastic Surgeons (ASPS) revealed a 19% increase in cosmetic surgeries in the US between 2019 and 2022. The report also reveals an increase in surgical procedures for the face by an average of 18% over the course of the pandemic.

A 2022 report by ISAPS states that, on average, the countries that had the highest number of inbound patients for cosmetic procedures in 2022 were Mexico, Colombia, Thailand, and Turkey. Among the Middle Eastern nations, rhinoplasties are generally the most performed cosmetic treatment.

Key Hubs and Medical Tourism Markets

The US is one of the biggest outbound medical tourism markets in the world. According to Patients Without Borders, in 2019, there were between 21 and 26 million cross-border patients worldwide, each spending an average of USD 3,500 per visit, out of which approximately 2 million were Americans traveling abroad for medical treatments (almost 9% of medical tourists worldwide).

India ranked 10th out of 46 global medical tourism destinations as per the 2020-2021 Medical Tourism Index (MTI), achieving a score of 69.8 out of 100. India ranked in the top 3 within Asia, where its biggest competitors in the medical tourism sector are Singapore and Japan.

The top 10 Medical Tourism Destinations as per MTI* 2020-2021 were as follows:

Rank	Country	Score (out of 100)
1	Canada	76.47
2	Singapore	76.43
3	Japan	74.23
4	Spain	72.93
5	UK	71.92
6	Dubai	71.85
7	Costa Rica	71.73
8	Israel	70.78
9	Abu Dhabi	70.26
10	India	69.80

*The MTI is a ranking of medical tourism destinations developed by the International Healthcare Research Center (IHRC) based on American perceptions. The MTI considers 3 main dimensions (country, industry, and medical facility and personnel) with 34 underlying indicators for ranking the destinations.

The best rated hospitals in the world include the Bumrungrad International Hospital (Thailand), Apollo Hospitals (India), Asklepios Kliniken (Germany), Fortis Healthcare (India), Anadolu Medical Center (Turkey), and Gleneagles (Malaysia).

The key hubs and key players in the global medical tourism market are described below:

Canada

The top hospitals in Canada (which ranks 1st as a medical tourism destination as per the MTI 2020-2021 index) are Toronto General Hospital, Vancouver General Hospital, and the Mayo Clinic's Canadian affiliate. These hospitals are accredited by the Healthcare Accreditation Canada (HAC). Canada is popular for medical treatments such as minimally invasive heart surgeries, cosmetic surgery, fertility treatments, orthopaedic procedures, and alternative medicine.
Medical treatments in Canada can cost between 30 and 60% less than in the US; however, the costs are higher than in countries such as India, Thailand, or Singapore.

Singapore

Singapore ranks 2nd in the MTI 2020-2021 index and is a top destination for complex surgeries and high-end treatment procedures such as radiation therapy. Singapore has also emerged as a biomedical hub, with a strong scientific and research foundation that includes clinical sciences, genomics, bioengineering, molecular/cell biology, medical biology, bio-imaging and immunology. Singapore also has a strong position in medical research and innovation, especially in the fields of stem cell research, neurosurgery, and robot-assisted surgeries.
The top hospitals in Singapore include the Singapore General Hospital, Gleneagles Hospital, and the Mount Elizabeth Hospital. However, because of steep inflation and rising medical costs, foreign patients have recently shown a preference for medical treatment in other Asian countries such as Thailand, Malaysia, and India.

Japan

Japan (3rd rank as per the MTI 2020-2-21) is a popular destination for minimally invasive treatments in cosmetic and orthopaedic surgery. Japan also has advanced medical technologies, for example, it has shown expertise in proton beam therapy for cancer treatment.

The top hospitals in Japan include the University of Tokyo Hospital, St. Luke's International Hospital, and Osaka University Hospital. Most of these facilities are accredited by the Japan Council for Quality Health Care.

Japan's healthcare system is rigorously regulated and has stringent safety protocols. However, the costs of treatment in Japan are high, especially compared to those offered by other Asian countries.

Spain

The top hospitals in Spain include the Hospital Clinic Barcelona, Quiron Madrid University Hospital, and La Paz University Hospital, most of which are internationally accredited. Popular medical treatments in Spain are cosmetic surgeries, dental treatments, and fertility treatments. Specialisations and pioneering treatments include state-of-the-art laser eye surgeries, minimally invasive cardiac procedures, and advanced neurosurgical treatments, according to the MTI Spain guide.

Spain mainly attracts medical tourists from other parts of Europe, the Middle East, and North Africa. The costs of treatment in Spain are lower than the costs in the US or the UK.

UK

Notable hospitals in the UK include the Wellington Hospital, the Harley Street Clinic, and Spire Healthcare. The UK's private healthcare sector is advanced due to innovation and medical research as well as because of the National Health Service (which mainly covers UK residents). The UK specialises in oncology and cardiovascular treatments that use cutting-edge technology.

However, the costs of treatment in the UK are quite high, especially compared to prices in Asian or Eastern European countries. The wait times for medical treatment are also longer than in many other countries.

UAE

The UAE is often marketed as a luxurious medical tourism destination. Specialised treatments offered by the UAE include 3D-printed joints for orthopaedic surgeries, which is a pioneering technology that is not accessible easily around the world. The treatments are competitively priced and are higher than Asian countries such as India or Thailand but lower than Western countries.

The UAE government has made substantial efforts (such as Dubai Healthcare City built in 2002) in the healthcare and medical tourism industry. The government has launched medical tourism portals and partnered with many healthcare providers and medical tourism businesses around the world to attract new patients. In 2019, UAE's national airline, Etihad, offered medical travel packages which included flight bookings, accommodation, and medical treatments at the Cleveland Clinic Abu Dhabi.

In 2022, Dubai received about 674,000 medical tourists, of which 39% were from Asian countries, 22% from Europe, and 21% from GCC countries. Dubai's geographical location and connectivity with the world, along with state-of-the-art healthcare, has positioned Dubai at 6th rank out of 46 countries as per the MTI 2020-21.

Thailand

In 2017, Thailand included medical tourism in its 20-year national strategy as one of its top 5 industries. The Thai government has offered many incentives for medical facilitators as well as supplier sectors such as pharmaceutical R&D, electronics and automation, etc. Thai policy supports the export of medical devices and equipment via incentives and tax breaks. Thailand also has biomedical clusters, for example, the Thailand Medical Tourism Cluster offers its clients additional services such as translation, banking, insurance, and legal advice.

Thailand is also emerging as an attractive destination for Western tourists seeking cosmetic and gender reassignment surgeries at a low cost. There are also many specialised rehabilitation centres for post-operative recovery.

However, Thai visa rules are stringent, which can cause complications with post-op recovery. A 1-year visa has been introduced for patients who require long-term treatment.

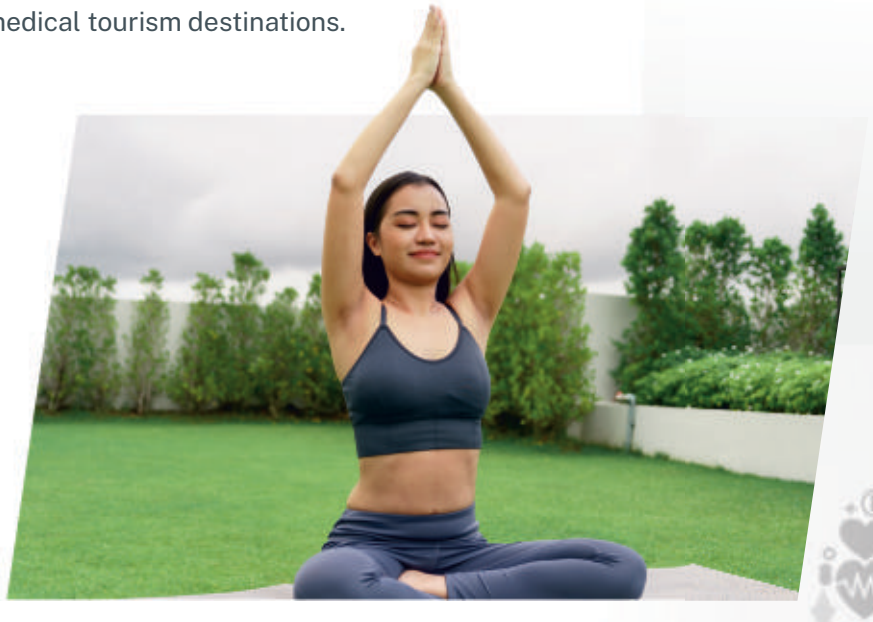
Malaysia

The Malaysian government has partnered with many private establishments to improve its healthcare and medical tourism sector. The government offers tax exemption between 70-100% for 10 or 15 years for medical tourism companies, plus an investment tax allowance.

Turkey

The Turkish government has made medical tourism a priority, and often leverages social media trends to boost its image. For example, Turkey offers a 50% refund of airfare to medical tourists upon completion of treatment. The government offers high incentives and subsidies that lower the operating costs of healthcare facilities in the country. Turkey also offers up to 70% rebate on marketing activities related to medical tourism.

Other than the hubs mentioned above, certain countries such as Costa Rica, Malaysia, and Israel are also popular medical tourism destinations.



4. INDIA: A LEADING MEDICAL TOURISM HUB

India ranked 10th out of 46 global medical tourism destinations (top 3 in Asia) as per the 2020-2021 Medical Tourism Index (MTI), with a score of 69.80 out of 100. India also ranks 12th among top 20 global wellness tourism markets (top 5 in Asia).

According to NITI Aayog, the Indian economy is estimated to earn an additional USD 9 billion by 2026 from medical and wellness tourism. India's medical value travel (MVT) market accounts for 6% of the global medical tourism market.

The medical tourism market in India is expected to grow at a Compound Annual Growth Rate (CAGR) of 21.1% between 2020 and 2027. The market in India was valued at around USD 6 billion in 2022 and is projected to increase to USD 13 billion by 2026 according to the Federation of Indian Chambers of Commerce and Industry (FICCI).

Some of the factors contributing to India's success as a top medical tourism destination include:

Low Cost: Indian hospitals provide high-quality, cost-effective medical treatments at comparatively lower rates. For example, a bypass heart surgery, which costs USD 7,000 in India, can cost up to USD 123,000 in the US (see below for detailed cost comparison).

High-Quality Medical Care: There are presently 53 hospitals in India which have international healthcare accreditation (JCI). There are also 1600+ NABH-accredited hospitals in India. Indian hospitals are at par with international standards and are equipped with the latest medical and diagnostic infrastructure and technologies. India is also well-known for alternative/ traditional medicine such as yoga, Ayurveda, and naturopathy.

Skilled doctors and nurses: India has a wide availability of highly skilled doctors and healthcare professionals, including doctors who have studied or practiced abroad, and who are fluent in English. There are over 13 lakh allopathic doctors in India and over 8 lakh AYUSH doctors. India also has almost 1,000 recognised nursing training centres with 10,000 nurses graduating annually, some of which are attached to teaching hospitals, thus providing Indian healthcare centers with highly qualified staff. As per IBEF and information provided by the Minister of Health and Family Welfare, the doctor-population ratio in the country is 1:854, assuming 80% availability of 12.68 lakh registered allopathic doctors and 5.65 lakh AYUSH doctors.

Shorter Wait Time: As compared to the US and Europe, hospitals in India offer medical treatments with a much shorter, or close to no waiting time.

Tourism Opportunities: India is already a top destination for tourists and a well-known hub for spiritual and wellness healing. The Indian government has started promoting medical tourism along with travel and tourism, highlighting aspects such as cultural and heritage sites and other recreational opportunities after undergoing medical treatment. Additionally, even budget travelers are able to access luxury amenities and accommodation in India.

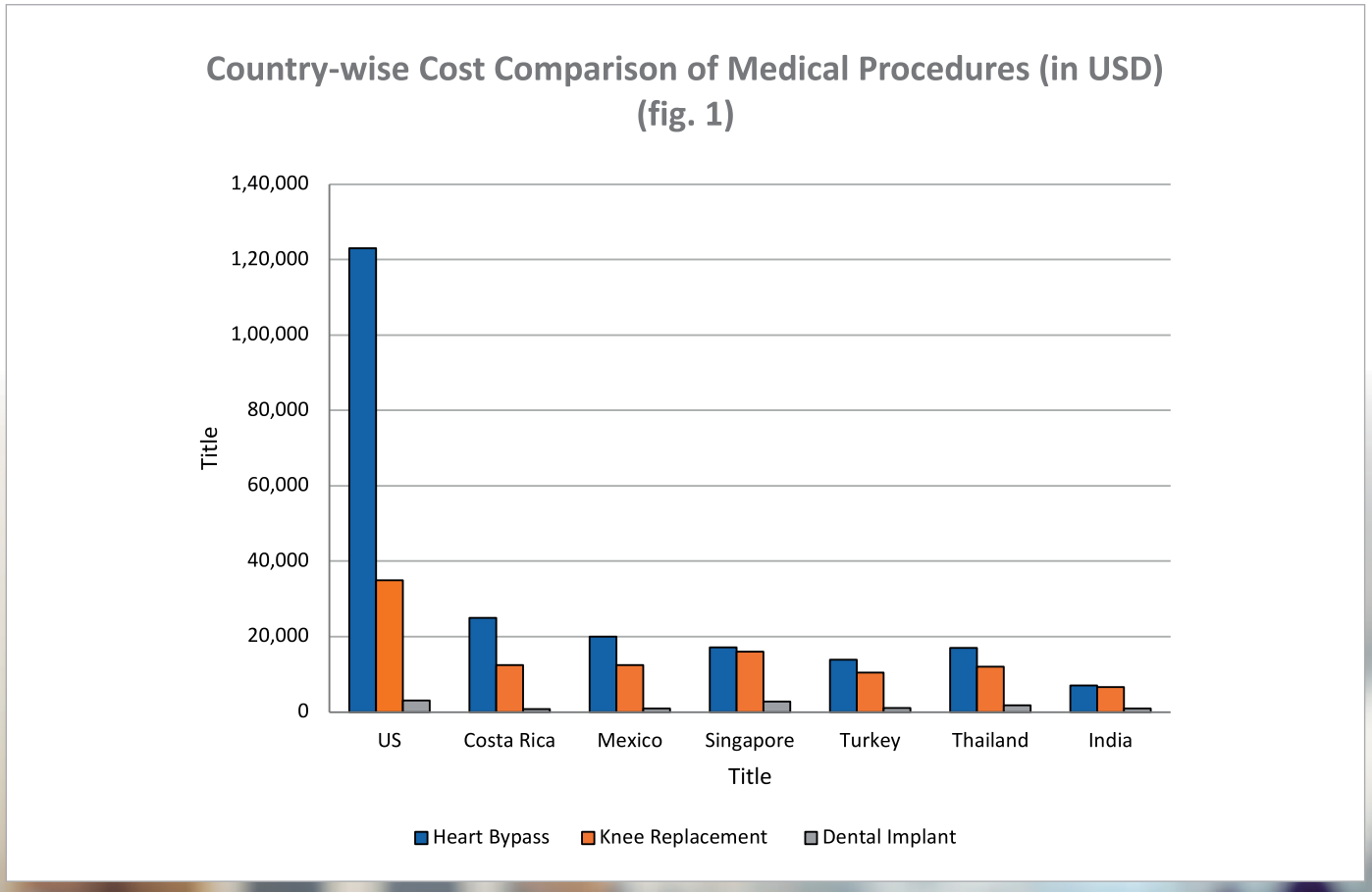
Detailed Analysis of India's Medical Tourism Industry

Low-Cost Medical Treatments

The cost of medical treatment in India is 2-3 times lower compared to most countries. The costs for the most sought-after treatments such as cardiovascular surgeries, cancer treatment and organ transplant surgeries are around 65-90% lower in India than the costs in the US, Europe, and Australia.

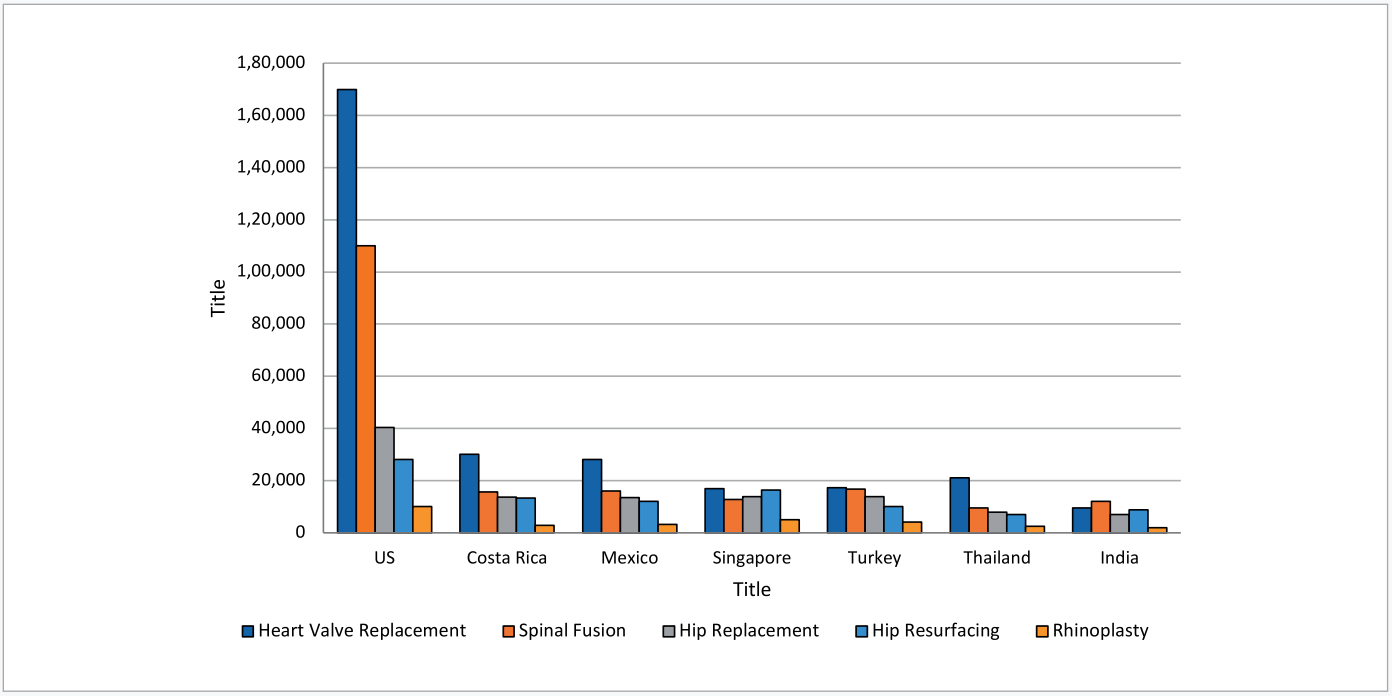
India specialises in over 30 medical segments, including cardiology, oncology, eye surgery, and In Vitro Fertilization (IVF). Inbound medical tourism patients in India commonly opt for cardiovascular surgery, knee transplants, cosmetic surgery, fertility treatments, and dental care. The reason for this is that the cost of these treatments in India is considered to be the lowest in Asia, much lower than Thailand, Indonesia, Singapore and Hong Kong, according to the Federation of Indian Chambers of Commerce and Industry (FICCI). According to Future Market Insights Inc., India's cardiovascular segment is anticipated to hold a share of 40.2% of the overall medical tourism industry. Almost 49% of international patients in India in 2023 visited Nova IVF for fertility treatment as per data by the Nova IVF Center, Bangalore, of which a majority of patients were from Asia and Africa.

The cost of the most popular medical treatments around the world, namely, heart bypass surgery, knee replacements, and dental implants, is the lowest in India, as shown in the chart below:



The average cost of other medical surgeries around the world is as shown below:

Country-wise Cost Comparison of Medical Procedures (in USD) (fig. 2)



Key points based on cost comparison:

- Medical treatments in the US are the most expensive.
- The cost of popular medical treatments is the lowest in India, except for hip surfacing and spinal fusion surgery, where the cost in Thailand is cheaper by a margin.
- The cost of dental implants in India is at par with that in Mexico, which attracts more American medical tourists because of proximity. The cost of dental implants in Costa Rica, however, is cheaper than in India by 13%.
- Medical tourists can save 94% on the cost of heart bypass surgery if performed in India as compared to the US. Americans opting for dental implants in India instead of the US can save around 70% of the cost, whereas the savings are almost 81% for those getting knee replacement surgeries in India instead of the US.

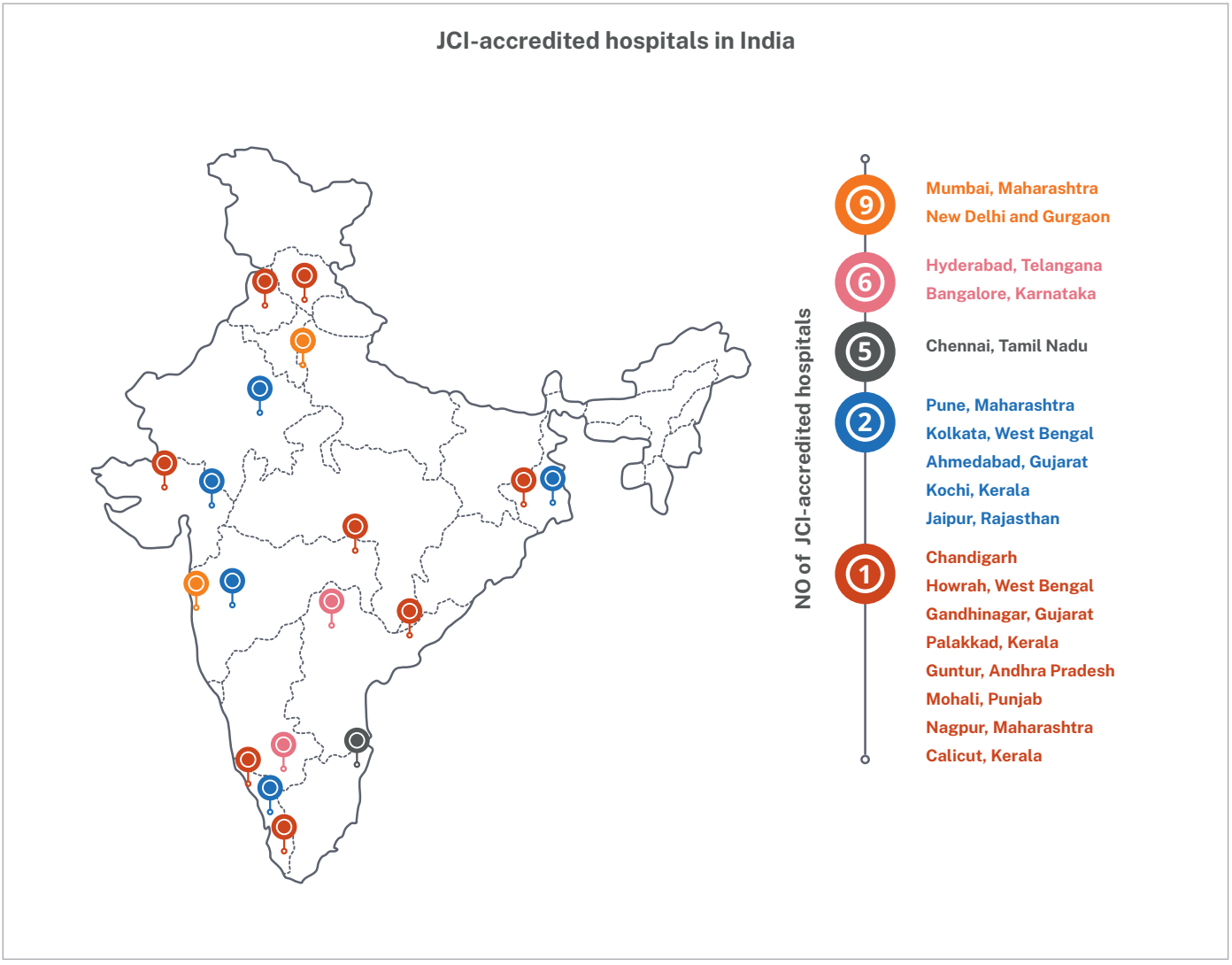
Key Destinations and Players in India's Medical Tourism Market

Some of the key medical tourism hubs and developments in India include the following:

- Chennai is often called the health capital of India and is estimated to contribute almost 40% to India's medical tourism revenue according to research by the Confederation of Indian Industries.
- The Telangana government has announced plans to utilise 1,000 acres of land to set up a medical tourism hub and invite major healthcare firms to establish hospitals.
- The Andhra Pradesh government completed its Kapada cancer hospital project in December 2023.
- Other recent cancer-related projects include the Ranchi Cancer Hospital & Research Centre by Tata Trusts and the Hyderabad MNJ Institute of Oncology and State Cancer Institute Oncology Block project by Aurobindo Pharma Foundation.
- The Thiruvananthapuram Government Medical College became the first state-run medical college in India to get a Neurointervention facility, making it a comprehensive stroke care center.
- The Tamil Nadu government medical college hospital is undergoing expansion. The Orissa government is also building a medical college teaching hospital project.

India presently has 53 JCI-accredited hospitals in India and over 1600 NABH-accredited hospitals. India is also emerging as a hub for R&D activities for international players, considering the relatively low cost of clinical research.

India's 53 JCI-accredited hospitals are located as below:



The top players in India's healthcare industry by market capitalisation are Apollo Hospitals, Max Healthcare, Medanta Group, Fortis Hospitals, and Narayana Health. Apollo Hospitals Enterprise, the largest company by market share, yielded 11.4% returns in January 2024, followed by Max Healthcare Institute with 13.8%, and Fortis Healthcare with 3% (source of data: CMIE Outlook Report).

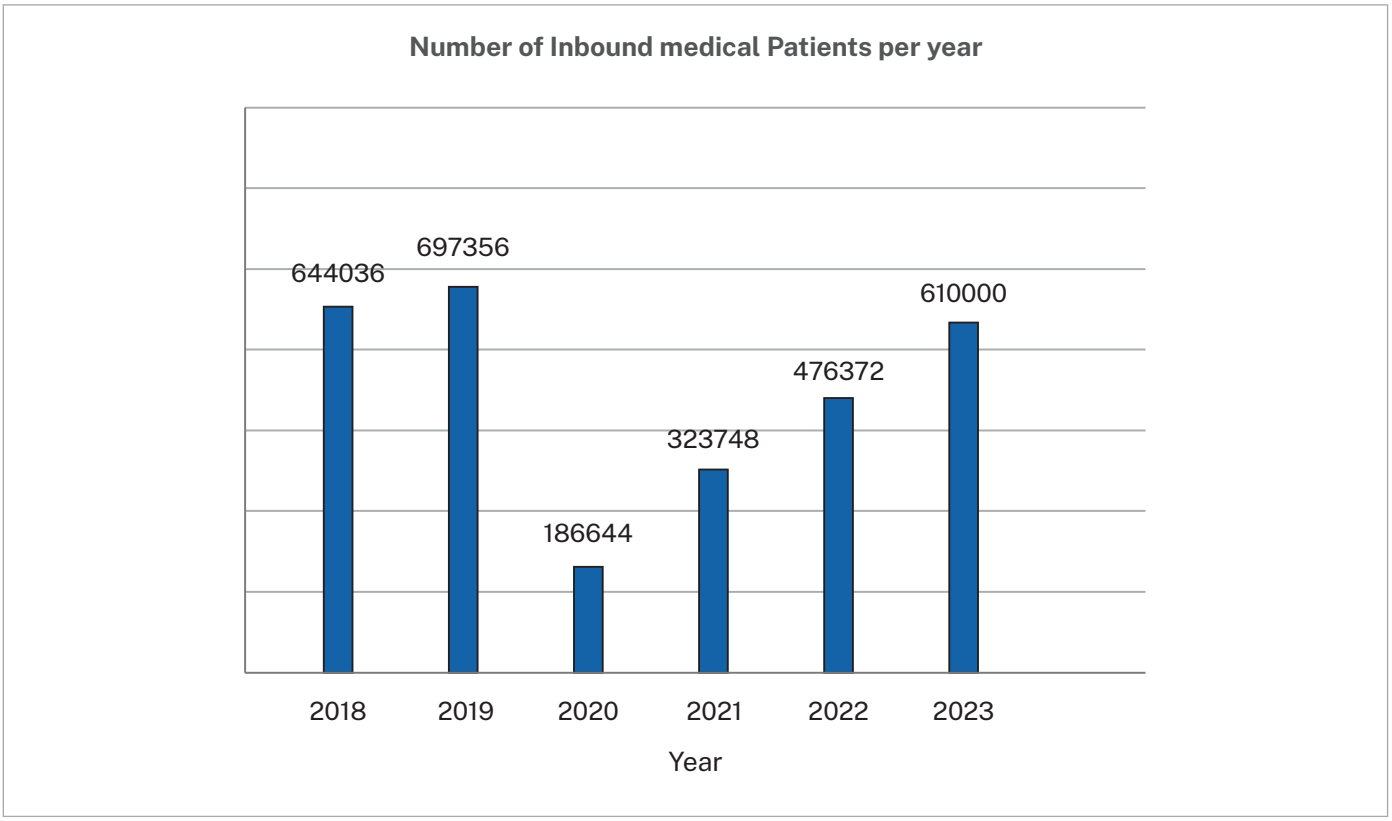
Medical tourism generally accounts for 10-12% of the revenue of private hospitals. Max Healthcare reported a 27% year-on-year growth in international patient revenue during the financial year 2023-24, with medical tourism accounting for 9% of its revenues until December 2023. Apollo Hospitals also reported an 18% in revenues from medical tourism during the financial year 2023-24 as compared to 2022-23, whereas Fortis Hospitals reported that medical tourism accounted for around 8% of its revenue in the financial year 2023-24.

Notable Developments

- In June 2024, the first set of robotic surgeries was successfully performed at the Malabar Cancer Centre in Thalassery, Kerala, and will now be held on a routine basis.
- Alpine Health Systems has launched a new AI-powered solution platform to streamline complex hospital discharge.
- Max Healthcare Institute is building a super specialtiy hospital project in Dwarka.
- Shalby Hospitals has also announced expansion plans, with a multi-speciality hospital project underway in Nashik.
- India's Medanta Hospitals has found a spot in Newsweek's top 250 hospitals in the world in 2023.
  India's Narayana Health Hospital secured a Guinness World Record in 2023 for conducting the highest number of ECGs in a single day at a single venue.

Analysis of Inbound Medical Patients in India

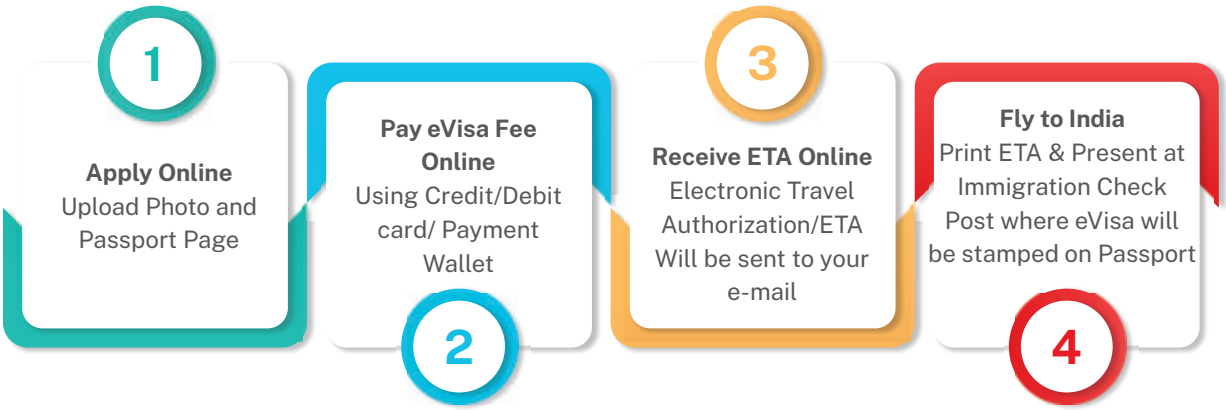
The number of medical tourists visiting India increased by 10.8% between 2012 and 2022.



As seen in the above chart, the number of inbound medical tourists fell sharply from almost 7 lakh in 2019 to 1.8 lakh in 2020 owing to the COVID-19 pandemic (covered in detail below). Over 6 lakh medical tourists visited India for treatment in 2023 (an increase of around 21% as compared to 2022). An estimated 7.3 lakh medical tourists are expected to visit India in 2024 as per Crisil Research (as compared to 6.1 lakh in 2023). This is the first time the number of inbound patients will come close to pre-COVID numbers.

India had over 9 million foreign tourists in 2023. International tourist arrivals are expected to reach 30.5 million by 2028. According to the Ministry of Tourism, 7.4% of all foreign tourists travelled to India in 2023 for medical purposes, i.e., on a medical visa. Out of this, 88% of inbound patients in India are from Bangladesh, Iraq, Maldives, Afghanistan, Oman, Yemen, Sudan, Kenya, Nigeria and Tanzania. The number of inbound medical tourists from Bangladesh grew by 48% in 2023 as compared to the number in 2022.

According to the World Travel & Tourism Council (WTTC), 7.26% of total foreign tourists visiting India in 2024 are expected to be medical tourists.



Initiatives by the Indian Government

In January 2022, the government published the National Strategy and Roadmap for Medical and Wellness Tourism, which aims to market India as a wellness and tourism destination.

The government has been pitching alternative medicines under the AYUSH ministry which stands for Ayurveda, Yoga & Naturopathy, Unani, Siddha and Homeopathy. India has created a new category of Ayush e-visas for travellers from 156 nations and has also accredited AYUSH centres. The 'Heal in India' brand (which will be promoted as a sub-brand of 'Incredible India' on all digital and medial platforms) targets holistic healing using AYUSH. The government is also developing a one-stop-shop solution - the Medical Value Travel (MVT) portal to improve convenience for medical patients.

In April 2023, India hosted the 'One Earth One Health – Advantage Healthcare India' event in New Delhi on the sidelines of its G20 presidency to promote India as a hub for medical tourism. The event had the participation of over 500 foreign delegates from over 70 countries. The government also participates in international summits and roadshows and is promoting India's medical tourism sector as a brand through campaigns conducted by FICCI and via social media platforms.

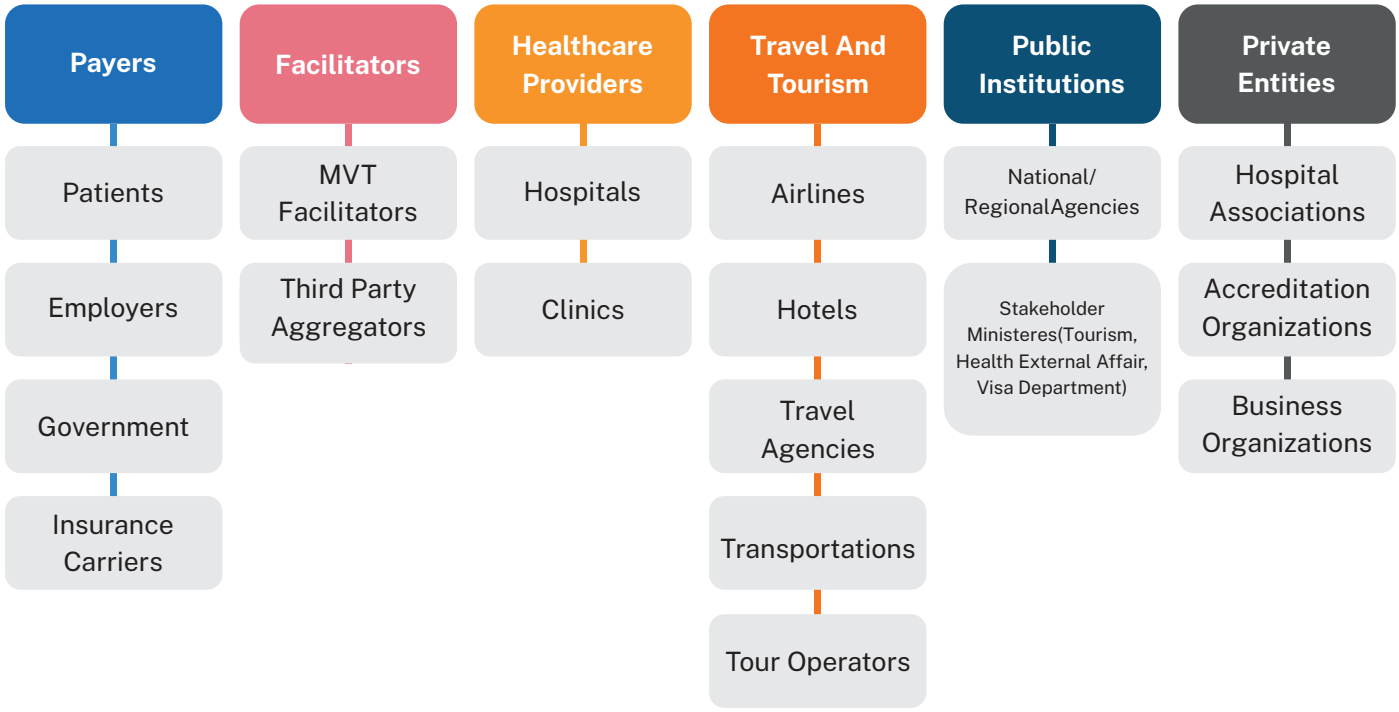
100% foreign direct investment (FDI) is allowed in the medical infrastructure sector along with fiscal incentives for businesses to boost the medical tourism industry. The government has also listed 10 Indian airports that will feature a multilingual helpdesk for medical tourists.

The government, with input from the healthcare industry, has prepared a Code of Ethical Conduct for Indian hospitals and facilitators operating in the medical tourism sector. FICCI is also working on developing a set of standards for the medical tourism industry.

Stakeholders

*source: investindia.gov.in

Stakeholder Of Medical Value Travel Ecosystem



The government also focuses on sectors related to medical tourism, such as healthcare, tourism, travel and hospitality, i.e. the stakeholders as shown in the above chart.

In the 2024 Interim Budget, the allocation for the tourism sector was increased by 44.7% as compared to the 2023 budget. The tourism sector is the third-largest foreign exchange earner for India, and the sector's contribution to GDP is expected to grow at an annual average of 7%, according to a 2023 by the World Travel & Tourism Council (WTTC).

A GST exemption is granted on healthcare services in India. The government has also announced USD 14.8 billion in loans to boost health infrastructure in the country. Accordingly, major players like Apollo Hospitals, MAX Hospitals, Shalby, Fortis and Manipal Group are establishing state-of-the-art medical facilities in tier-I and tier-II cities in an effort to develop medical tourism hubs. Further, the public spend on healthcare reached 2.1% of GDP in 2022-23 (up from 1.2% in 2014-15). The government has targeted a healthcare expenditure of 2.5% of GDP by 2025.

The rising number of medical and nursing colleges in the country demonstrates the country's commitment to strengthening the healthcare workforce. The number of medical colleges has tripled in the last two decades. The government has also announced plans to establish 157 new nursing colleges.

India is also leading in the global pharmaceutical industry and ranks third globally in terms of production by volume. India produces almost 60% of vaccines in the world, according to the FICCI-EY report.

The government is also focused on improving air connectivity with India to cope with the rising international travel demand. The number of airports in India doubled to 149 airports in the last 10 years, and a target is set to establish 220 new airports by 2025.

Public-Private Partnerships

Public-Private Partnerships (PPPs) between the government and key stakeholders identified above will provide a boost to India's medical tourism sector.

India and the UAE have collaborated to develop healthcare services in Africa. RAK Hospital in Dubai has collaborated with India's Apollo Hospitals Group, which will cover telemedicine services and laboratory referral services. This will also help UAE medical patients access specialists from Apollo Hospitals without having to travel abroad.

The government, together with the Ministry of Health and Family Welfare (MoHFW), is working on promoting medical tourism in Kenya and Tanzania.

In addition to existing MOUs entered into by the government with foreign governments and private companies, some other key stakeholders with which successful collaborations may be explored are private hospitals and diagnostic clinics, pharmaceutical communities, and international accrediting bodies, medical educational and research institutions. Healthcare facilities can also consider collaborations with IT service providers to help streamline digital platforms, blockchain for health records and international payment gateways, research databases, telemedicine solutions, and much more.

5. COVID-19'S EFFECT ON MEDICAL TOURISM

India's medical tourism market was valued at around USD 6 billion in 2022 and is projected to increase to USD 13 billion by 2026 according to the Federation of Indian Chambers of Commerce and Industry (FICCI). The growth in the healthcare sector is driven by smaller sub-sectors, including hospitals, medical tourism, telemedicine, health insurance, and medical devices and equipment.

The COVID-19 pandemic proved a wake-up call to the medical industry as a whole. It specifically impacted the medical tourism markets due to restrictions on travel, supply chain disruptions, etc. Travel bans made it impossible for patients to travel even to neighbouring countries for medical treatment.

- The number of inbound medical tourists visiting India fell from 7 lakh in 2019 to 1.8 lakh in 2020.
- According to a study by the International Medical Travel Journal, the number of medical tourists visiting Thailand decreased by 98% in the first quarter of 2020.

The Indian medical tourism market was severely impacted due to travel bans and decreased demand for non-essential medical treatments. The pandemic caused a shortage of medical supplies, including drugs and vaccines. Lack of health infrastructure was also a big concern in India during the pandemic, especially in rural areas and tier II and tier III cities. Many hospitals and medical facilities in India were also repurposed to treat COVID-19 patients, thus restricting the availability of medical resources for foreign inbound patients.

During the pandemic, a new phenomenon emerged, that of “vaccine tourism”, where patients from countries in which the vaccine was not yet available travelled abroad to obtain the COVID-19 vaccine from another country. Medical travel agencies in India offered packages to Indians to fly to the US, UK, Russia, and a few other countries to receive the COVID-19 vaccine.

The COVID-19 pandemic highlighted India's prowess in the manufacturing of vaccines. Two vaccines (Bharat Biotech's Covaxin and Oxford-AstraZeneca's Covishield) were manufactured in India, which were instrumental during the pandemic. India became the first country to touch the five million COVID-19 vaccinations mark.

The global and the Indian medical tourism market made a splendid recovery owing to successful vaccination drives and the opening of international travel in 2022. The number of inbound patients in India is estimated to hit 7.3 lakh in 2024 as per Crisil Research, as compared to 6.1 lakh in 2023. This is the first time the number of inbound patients will come close to pre-COVID numbers (almost 7 lakh in 2019).

According to one of the reports of PwC, India witnessed the highest increase in the use of Artificial Intelligence (AI) during the COVID-19 pandemic, with 73% AI adoption among healthcare and pharmaceutical companies (covered in detail below). In the aftermath of the pandemic, telemedicine also stood out as an important factor in the healthcare industry, especially for medical tourism with respect to pre-and-post-operative care for patients. Telemedicine allows doctors to conduct virtual consultations with patients and offer medical advice without the tourists having to conduct physical travel. During the pandemic, telemedicine consultations grew from less than 1% of primary care visits to 43.5% in April 2020.

In March 2020, the Ministry of Health published the Telemedicine Practice Guidelines for domestic operations by registered medical practitioners. In April 2021, eSanjeevani OPD was launched to provide safe medical consultations. The telemedicine service was a hit, becoming the world's largest government-owned telemedicine platform and reaching over 8 crore consultations within 3 years of launch.

Indian hospitals are also digitising the process of transferring medical records and test data using secure electronic platforms (sometimes encoded via blockchain).

The COVID-19 pandemic alerted the entire world to the need for better, adequate, and safe healthcare. Many research surveys have highlighted an overall shift in perception as health became a top priority for most people in the aftermath of COVID-19, with medical and wellness tourism emerging as critical components in the post-pandemic era.

6. ECONOMIC AND SOCIAL IMPACT ON MEDICAL TOURISM

Medical tourism is not a standalone industry. It is a part of, or a collaboration between the country's tourism and healthcare sectors. The growth in this sector globally has highlighted the need for national governments to market themselves as an attractive medical tourism destination to international patients. With the boom in medical tourism, several other sectors are also boosted.

This section analyses the contribution of the medical tourism industry to India's economy and the other sectors that are impacted.

Connected Industries

The main sectors connected with medical tourism are tourism, healthcare, pharmaceuticals, hospitality, and aviation. As the number of inbound medical patients grows, these sectors must supply based on rising demand. There is a growing need for better international air connectivity, domestic road transport within India, health infrastructure, international quality accommodation and luxury travel, and availability of medicines, drugs, and surgical equipment.

Other than the above sectors, the influx of foreign patients boosts sectors such as cultural and religious tourism, spiritual and wellness retreats, food, and retail and also highlights the growing demand for translation, legal and banking services, visa support, foreign currency exchanges, multilingual helpdesks, etc.

Political and Diplomatic Ties

Other than economic considerations, medical tourism also gives a boost to the cultural heritage and hospitality of the country. It also strengthens the diplomatic and political relations between countries. As India emerges as a popular medical tourism destination, it will enhance soft power for India in the world.

India's efforts during the COVID-19 pandemic were recognised with its nine-point reform plan to the World Health Organisation (WHO). India has also offered its Co-WIN platform as a digital public good to any interested country and to the WHO. In its G20 presidency, India has promoted its capability as a first responder during a natural disaster in developing countries by providing medical and necessary supplies, via the 'Arogya Maitri' initiative.

Foreign Exchange Earnings

Medical tourism is a part of India's tourism and healthcare sectors. Travel and tourism together contribute around USD 199.6 billion to the country's GDP, according to the India Brand Equity Foundation (IBEF).

The tourism sector is the third-largest foreign exchange earner for India, which was ranked 6th among 185 countries in terms of the total contribution of travel and tourism to GDP in 2021, as per the WTTC.

By 2028, the Indian tourism and hospitality sectors are expected to earn USD 50.9 billion. The sector's contribution to GDP is expected to grow at an annual average of 7%, according to a 2023 by the World Travel & Tourism Council (WTTC).

Foreign Direct Investment

As per IBEF, foreign direct investment (FDI) inflows in the sectors relating to hospitals and diagnostic centres and medical and surgical appliances stood at USD 10.26 billion and USD 3.28 billion, respectively, between 2020 and 2024. The hotel and tourism industry together witnessed an FDI inflow of USD 17.2 billion between 2020 and 2024, constituting 2.54% of the total FDI inflow.

“ Medical Tourism can be considered a kind of import: instead of the product coming to consumer, as it does with cars or shoes, the consumer is going to the product. ”

- James Surowiecki

Employment Generation

As of 2024, India's healthcare sector employs 7.5 million people, making it one of India's largest employment sectors. Progress in telemedicine, virtual assistants, and data analytics is expected to create 2.7-3.5 million new jobs.

India's travel and tourism sectors are expected to generate employment for 137 million individuals by 2030, as per an IBEF report.

The hospitality and hotel industry is also poised for expansion. For example, Indian Hotels Corporation Ltd (IHCL) has announced plans to recruit 2,000-2,500 employees in the fiscal year 2025, according to IBEF.

AI and Technology in the Healthcare Sector

India's healthcare space is rapidly making use of advanced technologies to provide efficient, quality care to patients. Minimally invasive surgeries, robot-assisted surgeries, radiotherapy planning systems, radiation therapy equipment, and imaging technologies (PET-CT, MRI) are some examples of advanced technology being used in India's hospitals. Telemedicine is also on the rise in India, especially in the post-pandemic era.

According to PwC, India witnessed the highest increase in the use of Artificial Intelligence (AI) during the COVID-19 pandemic, with 73% AI adoption among healthcare and pharmaceutical companies. AI is being utilised not only for drug discovery and design and clinical trials but also for data analysis, and in hospitals for improving patient communication, health records and documentation, and for patient care planning.

Some recent applications of AI include the following:

- NITI Aayog is testing AI applications in primary care and diagnostics relating to early detection of diabetic retinopathy.
- AI application is being tested in oncology, with Tata Medical Center Kolkata and the Indian Institute of Technology (IIT) Kharagpur having launched India's first fully de-identified cancer image bank to enable machine learning models for cancer research.
- Apollo Hospitals has collaborated with Microsoft to launch India's first-ever AI-powered Cardiovascular Disease Risk Score API, which can predict the risk of heart attacks.

According to the World Economic Forum, India's expenditure on AI is expected to reach USD 11.78 billion by 2025, adding USD 1 trillion to India's economy by 2035.

7. STRATEGIC OPPORTUNITIES FOR GROWTH

Despite India's growth in medical tourism, the sector faces many limitations, which, if improved upon, can push India to the very top as an attractive medical and wellness tourism destination.

Below are some broad areas which provide growth opportunities for the government as well as the players in the private healthcare and tourism sector to bridge the gap.

Brand Promotion

The government is taking initiatives to promote India's medical tourism sector as a brand. The government also participates in international summits and roadshows and is promoting the sector as a brand through campaigns conducted by FICCI and social media platforms.

The 'Heal in India' brand (which is being promoted as a sub-brand of 'Incredible India' on all digital and medial platforms) targets holistic healing using AYUSH. The government is also developing a one-stop-shop solution - the Medical Value Travel (MVT) portal to improve convenience for medical patients.

In April 2023, India hosted the 'One Earth One Health – Advantage Healthcare India' event in New Delhi on the sidelines of its G20 presidency to promote India as a hub for medical tourism. The event had the participation of over 500 foreign delegates from over 70 countries.

However, there is a lot more scope for promoting the industry to attract more tourists, especially from developed countries such as the US. There is a negative perception of India in Western countries, namely, that it is unhygienic and that low-cost medical treatment may not mean high quality. There are also issues regarding visas, insurance portability (discussed below), payment issues, and lack of transparency in billing to foreign patients. Further, foreign patients may face difficulties in India due to language barriers, cultural differences, or bureaucratic difficulties while accessing medical care. It is currently the responsibility of the medical tourism facilitator to provide translators and on-ground executives that can help the patients in familiarising themselves with the Indian processes.In the interim budget 2024-25, the allocation for overseas promotion and publicity, including market development assistance, decreased by 97% down to Rs. 3 crores. The government needs to build India's brand abroad and focus on healthcare-related roadshows, conferences and summits to attract foreign tourists to India. The government and private players need to market the Indian medical tourism brand and boost India's state-of-the-art facilities, high-technology setups in hospitals, and experienced doctors available in the country.

Further, according to a 2023 report by Plum, an Insurtech company, India's medical inflation was at 14%, which is the highest in Asia as compared to countries such as China (12%), Indonesia (10%), Vietnam (10%) and the Philippines (9%). Medical tourism further drives up inflation as the cost of medical services increases. If inflation is not kept in check, this could drive up the cost of healthcare. The government also needs to focus on better utilising the allocated public spend on healthcare in order to maintain the lucrativeness of the medical tourism sector.

Regulatory Framework

India's medical tourism sector is largely unregulated. Compared to other medical tourism destinations, India does not have a direct framework for addressing legal complications that may arise from medical treatments availed by foreign patients in India, such as medical practice complaints or exploitation by medical tourism agents and middlemen.

The Indian government, with input from the healthcare industry, prepared a Code of Ethical Conduct for Indian hospitals and facilitators operating in the medical tourism sector. FICCI is also working on developing a set of standards for the medical tourism industry.

Further, the government is in talks with the OECD countries for international standardisation of treatment and operating procedures, including the Ayush and alternate medicines sector. The government is also encouraging hospitals to release clinical outcomes and statistics regarding morbidity rate, successful performance of complex surgeries, etc., to incentivise potential inbound patients.

Infrastructure

The COVID-19 pandemic highlighted India's lack of health infrastructure, as many hospitals and medical facilities in India were repurposed to treat COVID-19 patients. As outlined in the above sections, the government and key private players, are making expansion plans for building better health infrastructure and state-of-the-art hospitals in the country.

The Ministry of Tourism recently launched the Swadesh Darshan Scheme to develop theme-based tourist circuits, sanctioning 76 projects.

Many private hotel chains have announced new projects, such as 50-100 new hotels in Ayodhya, including a new property by Taj Hotels.

The government is also working on improving air connectivity and has set a target to establish 220 new airports by 2025.

Health Insurance

Most medical treatments undertaken overseas are not covered by insurance. Due to a lack of health insurance portability, patients are required to bear the expenses of medical treatment plus travel, which may prove expensive.

Insurers in India may set up businesses abroad to cover medical travel to India or approach foreign insurers to include Indian hospitals in the scope of medical treatments. For example, Blue Shield of California, a US-based health insurance provider, began the first cross-border health plan for medical treatment for Americans in Mexico. Some US insurance companies have teamed up with India's Apollo Hospitals to develop insurance packages for Americans who travel to India for treatment.

Health insurance for medical tourists is being promoted worldwide, with many countries and governments, including India, actively attempting to boost medical tourism using insurance facilities. India is currently in talks with the Organisation for Economic Co-operation and Development (OECD) countries and their insurance providers regarding insurance portability in the Ayush sector (Ayurveda, Yoga, Naturopathy, Unani, Siddha and Homeopathy). The Indian government is also considering allowing medical insurance claims for foreign nationals who visit India for Ayush treatment.

According to FICCI, the sale of Indian health insurance to travellers could potentially generate an additional USD 9 billion in premium and patient inflow to India.

Other than those listed above, there are a few other risks associated with medical tourism, such as illegal trafficking of organs or exposure to infectious diseases. Another concern is regarding polarising healthcare needs, i.e. the risk of favouring foreign patients over domestic patients or discrimination regarding the cost of medical treatments. For this reason, the Indian government encourages hospitals to provide an indicative price range on their websites which should be universally applied to all patients. It is further recommended in the 2022 National Strategy and Roadmap for Medical and Wellness Tourism that such information be subjected to independent audit.

8. FUTURE ROADMAP AND PATH FORWARD

The Indian healthcare sector is witnessing exponential growth in the aftermath of the COVID-19 pandemic, showing a compound annual growth rate (CAGR) of around 22% since 2016 as per Asia Medical Tourism Magazine. India's telemedicine market is predicted to reach a valuation of USD 5.4 billion by 2025.

The future growth of India's medical tourism sector is influenced by four significant trends – the Ayush system (which includes Ayurveda, Yoga, Naturopathy, Unani, Siddha, and Homeopathy), robotic surgeries, surgical camps, and startups.

The government plans to expand access to comprehensive healthcare services, particularly in rural areas, by establishing over 1.6 lakh health and wellness centres by 2025-26. In the interim 2024-25 budget, the budget allocation for the health ministry was increased by 12.59%. The government's Medical Value Travel (MVT) portal also aims to become a one-stop-shop solution for all medical tourism needs, which will also feature an inbuilt payment system.

The government is also considering digitalisation with respect to the medical data of foreign patients as well as for hospitals and medical facilitators for maintaining data related to medical outcomes. In the same vein, the European Union (EU) recently adopted new regulations for medical travel agencies in January 2024, which require transparency in pricing and healthcare outcomes for medical tourists travelling to EU member states.

Finally, Indian hospitals and healthcare facilities need to integrate the following in the medical tourism ecosystem to maintain the momentum of growth in the sector:

- In addition to telemedicine, Artificial Intelligence (AI), and robotics surgeries (which are already being performed in India), advanced technologies such as Augmented Reality (AR) and Virtual Reality (VR), etc. may be used for providing high-quality medical services and post-operative care to foreign patients.
- An increased spend on marketing India's medical and wellness tourism sector will incentivise foreign patients to avail treatment in India.
- A higher allocation for healthcare can better the existing infrastructure and boost India's image in the Western countries as a medical tourism destination.
- India also needs increased allocation for training personnel in order to retain skilled doctors and nurses within the country and to meet the growing demand for doctors and nurses in the coming years. Lucrative job opportunities can incentivise medical personnel to remain employed in India and not abroad.

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