

Notes from Consumer Health World

There is definitely change in the air. Canvassing speakers and attendees at the Consumer Health World Conference in Washington DC last week, it is clear that US employers and insurers are finally buying into medical tourism. Just don't expect to see any patient movement until 2010. It's a case of hurry up and wait.

Despite rising awareness, widespread press coverage and increased US employers and insurer interest, there is a high probability that medical tourist volumes will drop in 2009. Blame this on two factors. One, the global economic downturn is forcing consumers to cut back on all non-essential spending, and that includes elective surgeries. Two, the long lead times implement new plan design.

As David Boucher, CEO of Companion Global Healthcare, explains that the sales-implementation cycle for new benefit design is normally 12-18 months. Plan designers are pitching new products today for implementation in 2010, which effectively means that overseas hospitals may not see insurance patients until the 1st or 2nd quarter of 2010. 2010 will create the trickle, but not the long anticipated stream of medical tourists that everyone is waiting to see.

This is actually good news for the international provider community, because they still have a lot of work to do -- particularly in the areas of liability, continuity of care and quality standards and outcomes reporting. If there is any one single issue that is constraining adoption, it is liability. Hungry as they may be for lower cost healthcare options, US employers will simply not bite on medical tourism if they perceive the liability risk as too high.

At one panel session, representatives from Kellogg, the State of Colorado and Whirlpool underscored the importance of liability protection, as a condition of their adoption. At another, Dale van Demark and Kevin Ryan, attorneys with Epstein, Becker and Green along with Dave Arvola, Sr. VP with Lockton, outlined strategies that overseas providers should be looking at to help manage risk and liability. Their message was clear – plan now while you have the opportunity.

Quality standards and continuity of care are no less important. International providers need a credible system of uniform standards that take the quality issue off the table. Peter Hayes, Director for Health and Wellness for Hannaford Brothers, a Maine based supermarket chain, believes that by publishing outcomes data, international providers will gain a strategic upper hand over US providers that have been reluctant to share that data.

Engaging US physicians is one of the biggest opportunities and challenges in solving the continuity of care issue. US physicians remain largely unaware of international options, and Dr. Joseph Heyman, Chairman of the Board of Trustees for the American Medical Association, challenged the industry to do more to educate US physicians. A good start would be working with leaders like Dr. Michael Parkinson, President of the American College of Preventative Medicine and Dr. Marcy Zwelling, the incoming President for the Society of Innovative Medical Practice Design (SIMPd). Both are intelligent, patient centered physicians who understand the transformative power globalization will have on the US healthcare system.

2009 is the year to create structural bridges that enable medical tourism. The recession is proving a blessing in disguise for medical tourism, because it is bringing more employers to the table and that in turn is forcing benefits design companies and insurers to develop new global products. We are entering the calm before the storm.

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December 15, 2008

Bangkok , Thailand