

4TH CONFERENCE ON HEALTH TOURISM IN ISLAMIC COUNTRIES

“LEARNING FROM DEVELOPMENT OF MEDICAL TOURISM IN EUROPE: CHALLENGES AND OPPORTUNITIES. LITHUANIA’S CASE STUDY”



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26-27/11/2013, Vilnius





TOPICS

- I. CONCEPT OF MEDICAL TOURISM
- II. MEDICAL TOURISM DEVELOPMENT IN EUROPE
- III. LITHUANIA'S CASE STUDY





FIRST TOPIC

I. CONCEPT OF MEDICAL TOURISM

II. MEDICAL TOURISM DEVELOPMENT IN EUROPE

III. LITHUANIA'S CASE STUDY





HEALTH TOURISM: DEFINITION

HEALTH TOURISM - the organized travel *outside one's local environment* with the purpose to:

- *restore* and/or
- *maintain*, and/or
- *improve*, and/or
- *enhance...*

personal health & well-being





MEDICAL TOURISM DEFINITION (2)

Medical Tourism –

the concept of travelling of a patient outside his/her natural healthcare jurisdiction (from one country or region within the country to another) with a primary aim to receive healthcare for either:

better **availability**,

better **quality**,

better **access** or for

better **pricing**





MEDICAL TOURIST DEFINITION

Medical Tourist –

the patient travelling outside his/her natural healthcare jurisdiction (from one country or region within the country to another) with a primary aim to receive healthcare for either:

better ***availability***,

better ***quality***,

better ***access*** or for

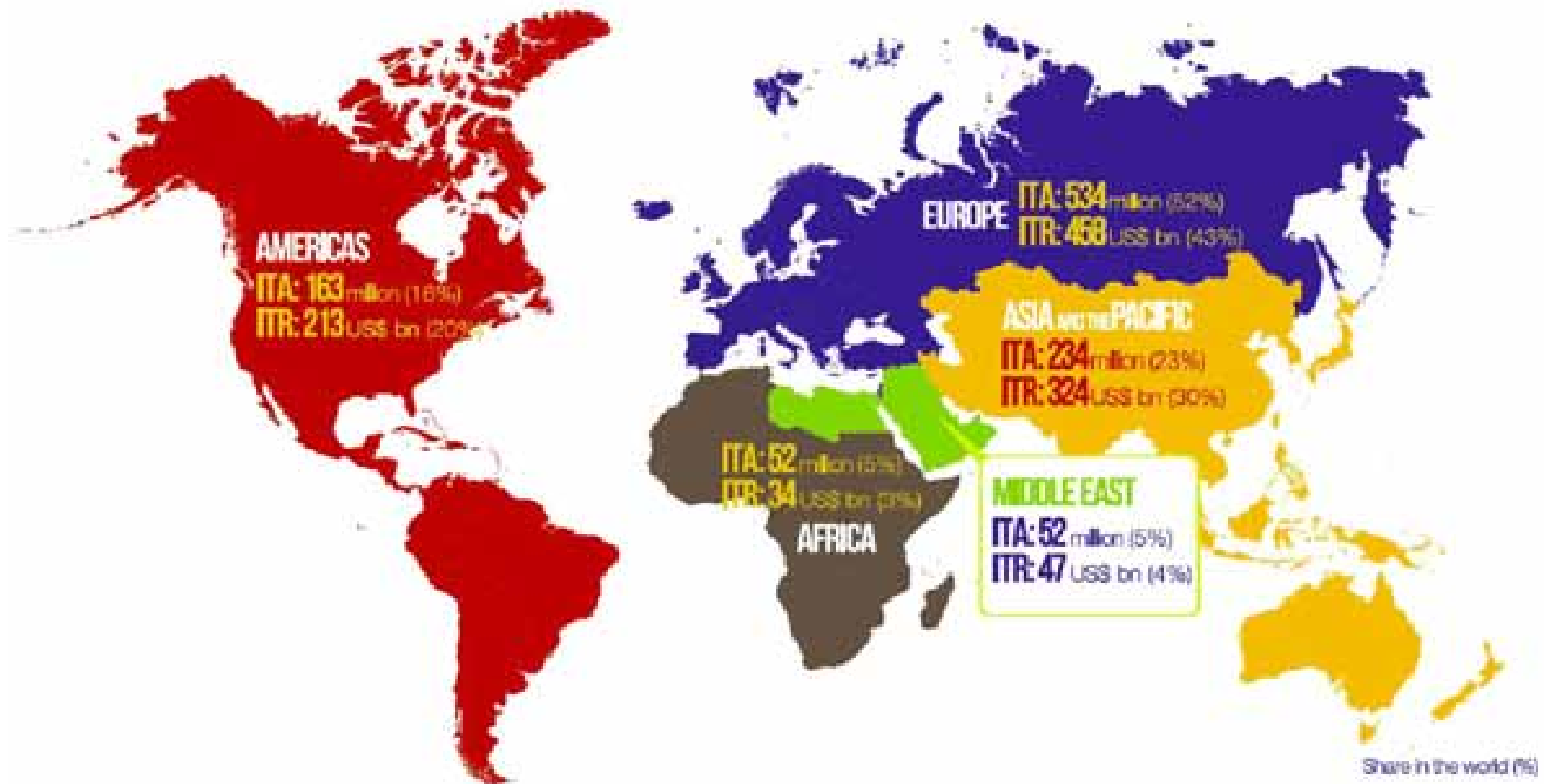
better ***pricing***.





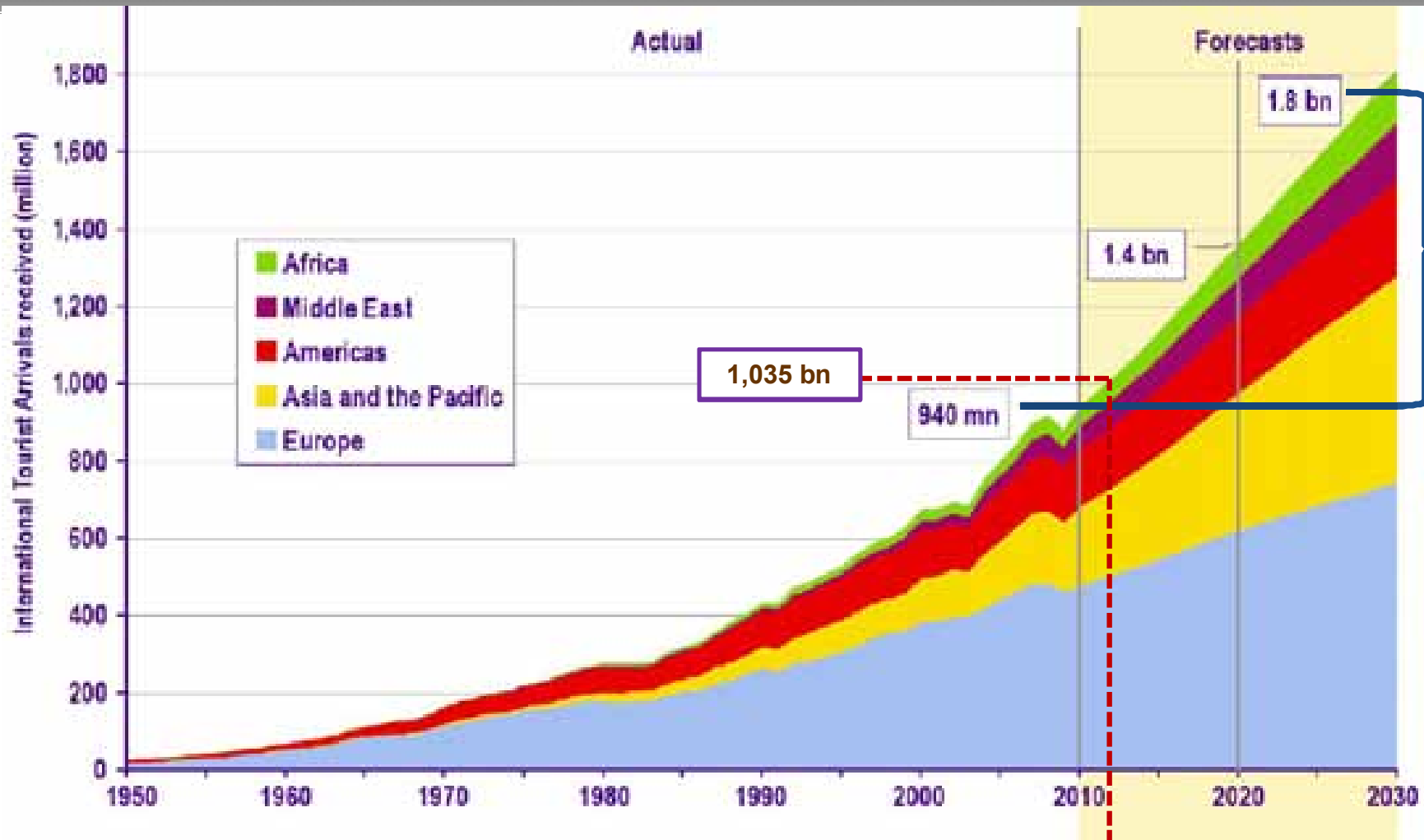
WORLD TOURISM MAP: INTERNATIONAL TOURIST ARRIVALS AND THEIR RECEIPTS IN 2012

INTERNATIONAL TOURISM 2012 International tourist arrivals (ITA): 1,035 million
International tourism receipts (ITR): US\$ 1,075 billion (bn)





UNWTO TOURISM TOWARDS 2030: ACTUAL TRENDS AND FORECAST 1950-2030



Source: UNWTO Tourism Highlights, 2013 Edition

2012

International tourist arrivals worldwide will increase by 3.3% a year from 2010 to 2030: In emerging destinations (+4.4% a year), in advanced economies (+2.2% a year)



SECOND TOPIC

I. CONCEPT OF MEDICAL TOURISM

II. MEDICAL TOURISM DEVELOPMENT IN EUROPE

III. LITHUANIA'S CASE STUDY





HEALTHCARE WITHOUT BORDERS: EU CASE

- ❖ More than 90% of EU citizens are treated in their own country,
but ...
- ❖ **50%** of them are **willing to travel to another EU country for healthcare**
- ❖ Currently the **demand for cross-border HC services amounts for ~1% (10 billion EUR) of total public sector expenditure on HC of EU MS**



CROSS-BORDER HEALTH SERVICES IN EU, 2007 (1)

Q2. Have you, yourself, received any medical treatment in another EU Member State in the last 12 months?

(Source: http://ec.europa.eu/public_opinion/flash/fl_210_en.pdf).



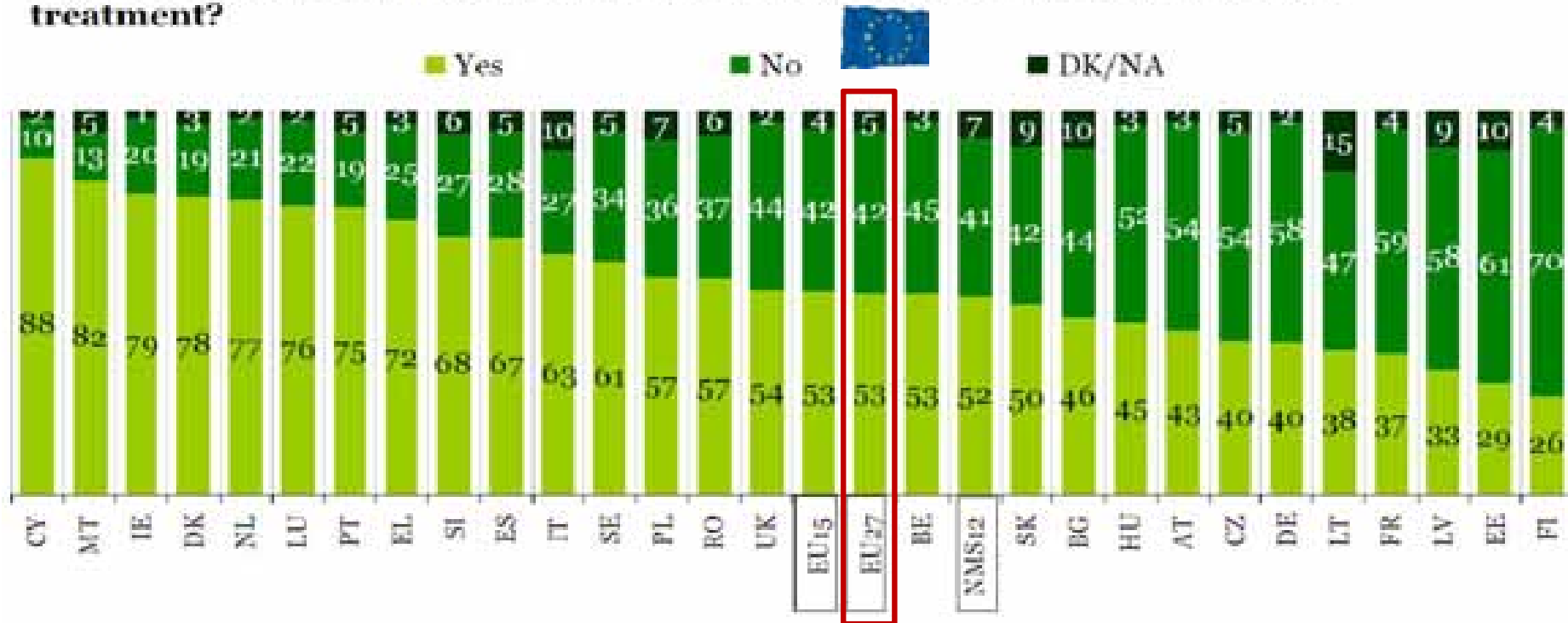
Q2. Have you, yourself, received any medical treatment in another EU Member State in the last 12 months?
% yes, Base: all respondents, by country

4% of EU citizens received medical treatment in another EU Member State over the past 12 months (2007)



CROSS-BORDER HEALTH SERVICES IN EU, 2007 (2)

Q3. Would you be willing to travel to another EU country to receive medical treatment?



Q3. Would you be willing to travel to another EU country to receive medical treatment?
%, Base: all respondents, by country

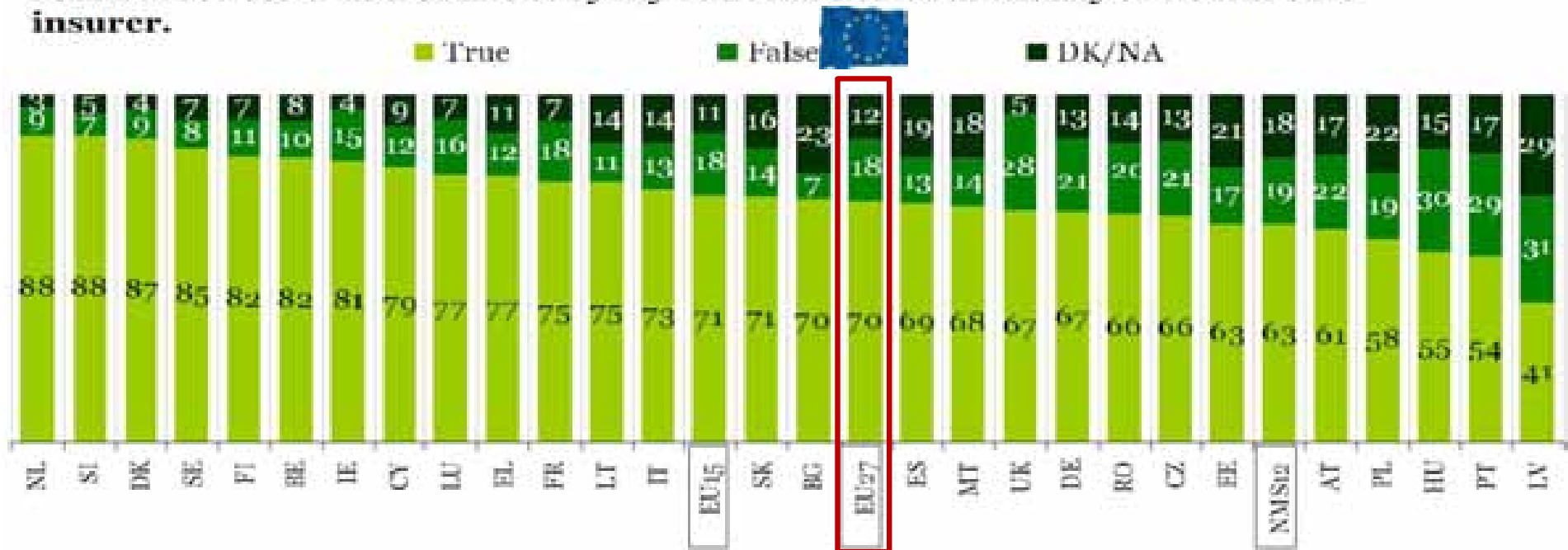
53% of EU citizens are open to travel to another EU country to seek medical treatment (2007)

(Source: http://ec.europa.eu/public_opinion/flash/fl_210_en.pdf).



CROSS-BORDER HEALTH SERVICES IN EU, 2007 (3)

Q1. I am entitled to receive medical treatment in another EU country and be reimbursed for that treatment by my national health authority or health care insurer.



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N. Base: all respondents, by country

70% of EU residents tend to believe that costs of medical treatment received in another EU country must be **reimbursed** for them by national health insurance company of their home country (2007)

(Source: http://ec.europa.eu/public_opinion/flash/fl_210_en.pdf)



MAJOR REASONS DRIVING PATIENTS TO RECEIVE HC IN ANOTHER EU MEMBER STATE

For which of the following reasons would you travel to another EU country to receive medical treatment?



(Source: http://ec.europa.eu/public_opinion/flash/fl_210_en.pdf).



TWO ROUTES TO ACCESS HEALTHCARE IN ANOTHER EU/EAA

There are currently two routes through which the patient can access healthcare in another state:

- ❖ The **“S2 Route”** based on the coordination of social security in the EEA (EU MS + Iceland, Liechtenstein, Norway) and Switzerland
- ❖ The **“Directive Route”** based on patient’s individual rights to seek healthcare in other EEA country





THE S2 ROUTE

- ❖ The **“S2 route”** (replaced the E112 in May 2010) proves entitlement for **planned treatment** in another EU MS. Under the S2 route:
 - ❖ **Planned treatment** not available at home country or cannot be provided by home country state HC system within a time that is medically acceptable, based upon clinical assessment, is compensated
 - ❖ **Prior authorization** (S2 Form) from state institutions for the treatment is needed
 - ❖ Only **state funded** healthcare in **state HC facilities** is covered
 - ❖ Treatment costs are **paid directly by the state** authorities
 - ❖ Treatment **costs are not limited** to the costs level in the home country (may be even higher)



THE DIRECTIVE ROUTE (1)

The Directive 2011/24/EU of the EU Parliament and of the Council on the Application of Patients' Rights in Cross-border Healthcare:

- The new Directive covers **planned healthcare** in EEA (EU MS + Iceland, Liechtenstein, Norway) countries
- The Directive is created to support patient rights to **choose treatment in any EEA country**
- EEA country **must fund planned health care** for its own citizens in another EEA state (with several exceptions)
- The Directive became an EU law in April 2011 and had to be **implemented by October 25TH, 2013**



www.novasans.com



THE DIRECTIVE ROUTE (2)

- ❖ Under the **“Directive Route”** (replaced “Article 56 route” under article 56 of the Lisbon Treaty):
 - ❖ **Prior authorization is not needed for non-hospital care** (with several exemptions)
 - ❖ Treatment in both **state and private healthcare facilities** is covered
 - ❖ **Upfront payment** for the treatment by the patient which is then reimbursed by their home state agency
 - ❖ Treatment **costs are limited** to the costs level in the home country
 - ❖ Cross border HC **cannot be used to jump the queue** of another MS and visitors must be treated exactly the same as home citizens



THE DIRECTIVE ROUTE (3)

Under the “**Directive Route**” there is no obligation to the EEA MS to fund treatment in another EEA country if:

- ❖ that same treatment **is available** at home **within a medically justified period** for that particular patient
- ❖ that treatment **is not funded** by the national health service of the home state
- ❖ that patient or public will be exposed an unacceptable **safety risk**
- ❖ there are serious **concerns** relating to the respect of standards and guidelines on **quality of care and patient safety**.



THE DIRECTIVE ROUTE (4)

Treatment on “**Directive Route**” only needs prior authorization if the treatment:

- ❖ involves an **overnight stay in hospital** for at least 1 night, or
- ❖ requires **highly specialized** and **cost intensive** medical infrastructure/equipment, or
- ❖ involves treatment that poses a particular **risk** for the patient of the population, or
- ❖ If there are **serious concerns relating the quality and safety** of the care to be provided (on case by case basis)



THE DIRECTIVE ROUTE (5)

Reimbursement on “**Directive Route**” for the HC received abroad:

- ❖ **up to the same amount** healthcare would have cost in their own country
- ❖ **should not exceed the actual cost** of the care received and patient is **not allowed to profit** from having cheaper treatment in another MS
- ❖ **is not intended to reimburse costs of travel and accommodation**



DEVELOPMENT OF MEDICAL TOURISM IN EUROPE (1)

CHALLENGES:

- ❖ No common accepted **definition** & taxonomy of MT
- ❖ No trustable **statistics**, unreliable approximations in MT business
- ❖ Lack of **benchmarking** in MT area among doctors, teams, hospitals, countries
- ❖ Lack of **transparency** (price, quality, safety, marketing, etc.) in MT
- ❖ Absence of common MT development **strategy** in the EU region
- ❖ Lack of **co-operation** among EU countries in MT sphere
- ❖ Increasing worldwide **competition** on International MT market (national and international HC&MT Hubs, Cities, Clusters); ZERO-SUM competition in “BLUE OCEANS” of the MT market
- ❖ “WE-ARE-THE-BEST” & “ALL-IN-ONE” **marketing** circus
- ❖ **Visa** barriers for non-EU patients



DEVELOPMENT OF MEDICAL TOURISM IN EUROPE (2)

OPPORTUNITIES:

- ❖ **Patients' voice** regarding their rights across the EU countries' borders became stronger (*EU patients' empowerment concept*)
- ❖ Impact of EU "**Cross border healthcare directive**" on free movement of HC services, products, patients, doctors (*Common EU Healthcare Market concept*)
- ❖ Lowering entrance barriers for non-EU patients by introducing "**Medical Visa**" for EU and non-EU patients (*Healthcare without borders concept*)
- ❖ Discovering „Blue oceans" and niche MT markets; developing of "**Centers of Reference**" (*Centers of Excellence concept*)
- ❖ Value-added **co-operation** and meaningful **competition** in **international MT market** (*Co-opetition concept*)



THIRD TOPIC

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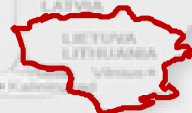




EUROPE

EUROPEAN UNION

- EU Member States
- EU New Members since 2004
- EU New Member 2013
- EU Candidates
- EFTA Member States



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LITHUANIA. SMALL BUT SOUND (1)

- ❖ The name *Lituae* was first mentioned in 1009
- ❖ The largest of the three Baltic countries (Lithuania, Latvia, Estonia)
- ❖ Member of EU since 2004
- ❖ Population: 3 million
- ❖ Area - 65,300 km²
- ❖ Location: 2h flight from London, 1.5h - from Moscow, 1.5h - from Berlin





LITHUANIA. SMALL BUT SOUND (2)

Territory of **Grand Duchy of Lithuania** in 1420: from Baltic to Black sea





LITHUANIA. SMALL BUT SOUND (3)

Territory of **Grand Duchy of Lithuania** in 1420: from Baltic to Black sea





LITHUANIA'S HEALTHCARE SECTOR

145 Public Hospitals

1,681 Private Healthcare Institutions

82.61 Hospital Beds/10k inhabitants

40.69 Doctors/10k inhabitants

73.49 Nurses/10k inhabitants

8 Health Resorts

1,682 Rehab Beds



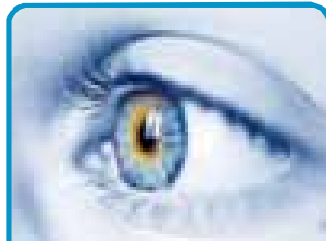
Source: Department of Statistics of Lithuania, 2012



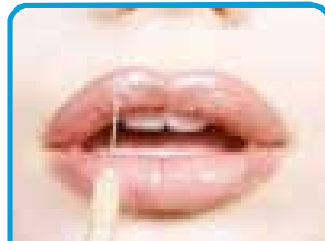
LITHUANIA'S HEALTHCARE SERVICES DELIVERED FOR INTERNATIONAL PATIENTS



Health check-ups



Ophthalmologic surgery



Plastic surgery



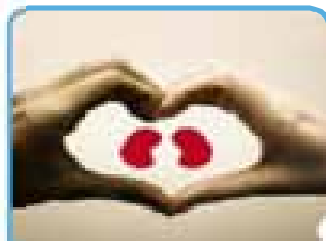
Cardio surgery



Oncology



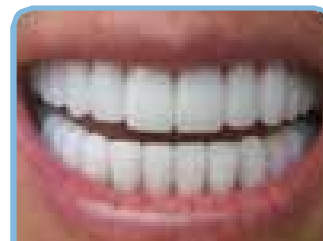
Orthopedic surgery



Transplantology



Infertility treatment



Dentistry



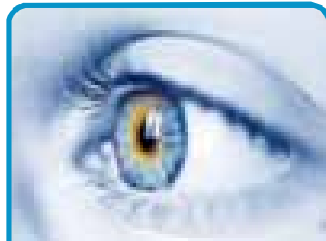
Rehab. & MedSPA



LITHUANIA'S HEALTHCARE SERVICES PROMOTED FOR INTERNATIONAL PATIENTS



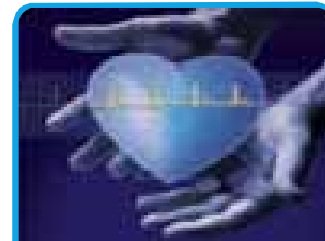
Health check-
ups



Ophthalmologic
surgery



Plastic
surgery



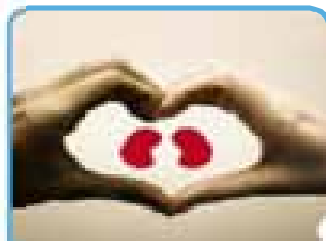
Cardio
surgery



Oncology



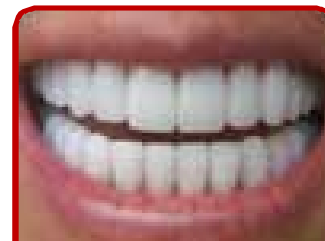
Orthopedic
surgery



Transplantology



Infertility
treatment



Dentistry



Rehab. &
MedSPA





FOCUS ON QUALITY & SAFETY



35 health care institutions are certified by ISO standards



4 private hospitals are in preparation process for JCI accreditation



Focus on Quality

Source: Department of Standardization of Lithuania, 2012



COST SAVING VALUE

| SERVICE / COUNTRY | GERMANY | CZECH REPUBLIC | POLAND | TURKEY | ISRAEL | LITHUANIA |
|-----------------------------|----------|----------------|---------|---------|---------|----------------|
| Breast augmentation | 7500 \$ | 4312 \$ | 3712 \$ | 3586 \$ | 4037 \$ | 3224 \$ |
| Liposuction | 4499\$ | 3054 \$ | 2800 \$ | 2207 \$ | 2500 \$ | 1400 \$ |
| Cataract surgery | 1973 \$ | 921 \$ | 1741 \$ | 1673 \$ | 3500 \$ | 1232 \$ |
| Knee joint arthroplasty | 11375 \$ | - | 8348 \$ | 7175 \$ | - | 5691 \$ |
| Knee joint arthroscopy | 2625 \$ | - | 912 \$ | - | 3200 \$ | 1200 \$ |
| Hemorrhoids removal surgery | 3400 \$ | 2888 \$ | 1026 \$ | 1925 \$ | 2325 \$ | 1200 \$ |
| Varicose veins surgery | 3150 \$ | 3588 \$ | 751 \$ | 2100 \$ | - | 720 \$ |
| Dental implantation | 3000 \$ | 1950 \$ | 973 \$ | 970 \$ | 2000 \$ | 1202 \$ |



ADVANTAGES OF LITHUANIA'S HEALTHCARE

European level safe & quality HC services

Highly-skilled HC professionals (credentials recognized in EU)

English & Russian speaking medical staff

East – West mentality

Modern technologies and treatment methods

Absence of waiting lists

Quick health check-ups and disease diagnostics

Possibilities to match medical services with relaxation and recreation

LITHUANIA: INBOUND MEDICAL TOURISM



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LITHUANIAN PRIORITY TARGET MARKETS (BASED ON CURRENT TRENDS)

I

- Russia
- Belarus
- Ukraine

II

- Kazakhstan
- Azerbaijan

III

- Norway
- Latvia

IV

- UK, Ireland, Germany
- USA, Israel, Georgia





RECENT DEVELOPMENT OF MEDICAL TOURISM IN LITHUANIA: 2011 – 2013 (1)

❖ In 2011:

- ❖ The year 2011 was announced the **Year of Health Tourism**
- ❖ Amendments to the **Tourism Law** were adopted
- ❖ Health tourism was included into **priority list** of Lithuanian Tourism branches
- ❖ **Memorandum of Understanding** was signed between the Ministry of Economy of Lithuania and the International MTA
- ❖ **MT Internet Portal** was launched





RECENT DEVELOPMENT OF MEDICAL TOURISM IN LITHUANIA: 2011 – 2013 (2)

❖ In 2012:

- ❖ Feasibility Study and Recommendations for MT Development in Lithuania were prepared
- ❖ International MT Conference was organized in Vilnius
- ❖ Lithuanian MT Association “Medical Lithuania” was established
- ❖ Semi-structured co-operation of HC institutions:
 - ❖ Participation in MT Exhibitions in Barcelona and Moscow
 - ❖ Participation in Medical Tourism Business Missions in Moscow

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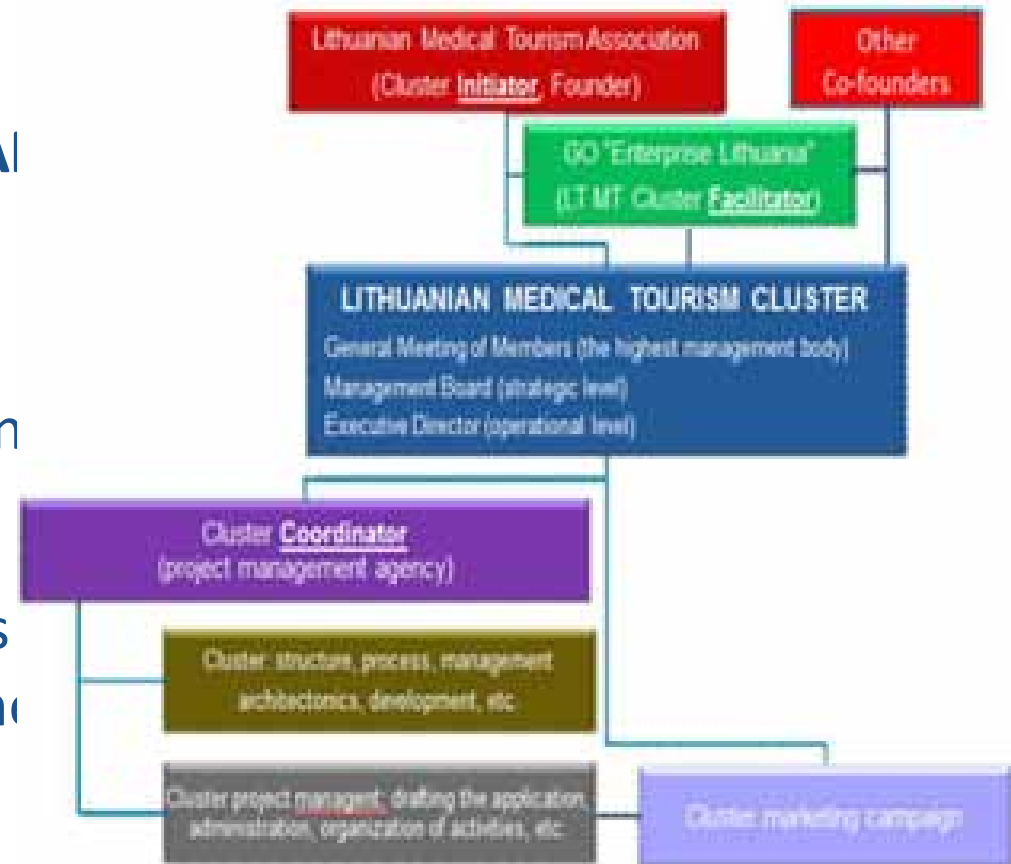




RECENT DEVELOPMENT OF MEDICAL TOURISM IN LITHUANIA: 2011 – 2013 (3)

❖ In 2013:

- ❖ Lithuanian MT Cluster "LITCAL" was established
- ❖ Financial support from EU SF Lithuanian MTC's development was approved
- ❖ Project of "Medical Visa" was prepared and presented to the Ministry of Foreign Affairs (not approved yet)





LITHUANIA ON THE WORLD'S MEDICAL TOURISM MAP (1)



Source: www.affordablemedicaltourism.com

In the last decade, medical tourism has hit the tipping point as a viable alternative to overpriced domestic procedures. Why buy a \$3,000 dental crown treatment in the United States when you can get the same thing—plus a flight, hotel, and fun tourism opportunities—for less in Hungary?

Here are the 10 best countries for medical tourism, ranked by appeal, specialties, and popularity:

10. Lithuania



Source: <http://www.businesspundit.com/10-best-countries-for-healthcare-tourism/>



LITHUANIA ON THE WORLD'S MEDICAL TOURISM MAP (2)

TOP 25 countries of Most Popular World's MT Destinations

- Argentina
- Austria
- Belgium
- Brazil
- Costa Rica
- Cyprus
- Czech Republic
- Egypt
- France
- Germany
- Greece
- Hungary
- India
- Italy
- Jordan
- **Lithuania**
- Mexico
- New Zealand
- Philippines
- Poland
- Spain
- South Africa
- Switzerland
- Thailand
- Turkey



Source:
<http://www.scumdoctor.com/medical-tourism/Medical-Tourism-And-Market-Research.html>



LITHUANIA ON THE WORLD'S MEDICAL TOURISM MAP (3)

Medical Tourism Knows No Bounds

The most popular destinations for medical tourism are:

- Southeast Asia
- Israel and Jordan
- Argentina and Cuba
- Lithuania, Croatia, Greece, and Turkey



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Virginia, U.S.





THANK YOU FOR YOUR KIND ATTENTION !

