



Medical Tourism is on the Rise

By:

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An increasing number of Americans are traveling to other countries for medical treatment to circumvent soaring healthcare costs in the United States.

These "medical tourists" seek procedures ranging from root canals to knee surgeries and hip replacements — at a fraction of what they would cost at home.

The Bumrungrad hospital in Thailand treats about 400,000 foreign patients each year, and Malaysia had nearly 600,000 medical tourists last year. South Korea had more than 100,000, nearly one-third of them American, and Costa Rica and Mexico also have become popular destinations for American patients, according to the New Yorker magazine.

The reason, of course, is cost. Hip-replacement surgery in Costa Rica costs around \$15,000, compared to \$90,000 at a U.S. hospital, and cash-paying surgery patients are taking advantage of packages that are one-fifth to one-third of the U.S. cost.

Health insurance companies have been leery about reimbursing patients for medical care overseas — they already receive large discounts with American hospitals and they risk a public-relations disaster if something goes wrong with a medical procedure in another country.

Patients have been wary as well, concerned about the lack of legal recourse for malpractice and the quality of care.

But the quality of medical care in developing nations has risen sharply in recent years, especially at hospitals that cater to foreign patients.

And new companies are making overseas treatment more attractive. Blue Cross/Blue Shield has launched a company called Companion Global Healthcare, which connects patients with hospitals around the world, the New Yorker reports.

Colorado-based BridgeHealth Medical offers American employers plans with flat fees for surgeries paid in advance that are up to 50 percent less than in a typical network, says **John C. Goodman, CEO of the National Center for Policy Analysis**, in his new book "Priceless: Curing the Healthcare Crisis."

If more Americans sought care overseas, it would likely help control medical costs at home — competition could force the U.S. healthcare industry to be more efficient.

Goodman suggests that Medicare should take advantage of the international medical tourism market to cut costs. And to encourage medical tourism by Medicare patients, a patient who saves money for Medicare by traveling should share in the savings.