

Thailand medical tourism and ASEAN Mutual Recognition Arrangement (MRA): treat or promise?

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Abstract

The medical tourism industry of Thailand has grown significantly. It remains that the target of the Thai Ministry of Public Health to be the leader of medical hub of Asia has been reached. The medical tourism of Thailand has provided the products with excellent service quality and affordable prices consisting of medical service, health promotion, traditional Thai medicines, and Thai herbs and health products, which have been enjoyed by international customers who are increasing every year. However, there are some challenges that will be encountered by the Thai government to improve the quality of medical tourism. This article aims to describe the medical tourism hub in Thailand and its challenges, and some concerns are raised for the consideration related to ASEAN Mutual Recognition Arrangement.

KEY WORDS: MRA, ASEAN, medical tourism, medical hub

INTRODUCTION

Medical tourism has been observed worldwide. It refers to traveling to another country in the search of affordable and convenient health care.^[1] Thailand is one of the popular destination countries for tourists to seek medical services in the world.^[2] It is owing to the service providers who are qualified with service mind and hospitality, and medical service rate in Thailand is fair when compared with the quality.^[3] However, the success of medical tourism is not without its challenges. Lack of medical and nurse personnel and limitation in language skills are being faced by the Government of Thailand.^[3] Therefore, the government needs to give the best effort to increase the health personnel and improve the language proficiency.

In line with this, the Association of Southeast Asian Nations (ASEAN) Mutual Recognition Arrangement (MRA)

might be a good deal with these challenges, as Thailand is one of the 10 ASEAN member countries that signed the ASEAN MRA, which involved medical doctor, dentist, surveyor, architect, accounting, engineer, and nurse. This arrangement has been expected to make all the 10 countries (Thailand, Indonesia, Brunei Darussalam, Philippine, Singapore, Myanmar, Lao PDR, Vietnam, Malaysia, and Cambodia) close together,^[4] and they have the important role to the success of ASEAN MRA. The Free Flow of Skilled Labor might be a good concept for medical tourism in Thailand. Therefore, this study aims to describe Thai medical tourism and its link with the ASEAN MRA.

Medical tourism hub in Thailand

Thailand is one of the world's largest medical tourism markets.^[2] It is alleged that the Government of Thailand has succeeded to implement the policy strategy as mentioned, "To drive Thailand being the leader in products and medical services of ASIA."^[3] The number of international customers continues to rise per year, with the total of over 11 million customers from 2008 to 2011, as shown in Table 1. The customers are mostly Japanese, Americans, South Asians, British, and Arabians.^[3] These data, however, imply the need that the Government of Thailand has to invest more in health to give the best full services.

There are three types of medical customers actually, which are classified as: (1) alien residents, (2) tourists and

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Table 1: Classification of the nations of customers during 2009–2011

Nationality	Rate of patients each year				
	2008	2009	2010	2011	2008-2011
Japanese	200,0642	n/a	177,058	182,807	1,639,143
American	114,872	n/a	74,058	76,277	846,412
South Asian	73,991	n/a	52,004	61,999	631,322
British	91,969	n/a	63,937	62,448	635,970
Arabian	164,943	n/a	91,117	98,657	748,018
Asian	139,887	n/a	122,404	113,522	695,776
Chinese/Taiwan	33,492	n/a	32,310	48,396	359,266
German	38,730	n/a	32,310	28,716	291,687
Australian	35,998	n/a	24,915	42,831	286,261
France	31,000	n/a	34,519	35,472	263,532
Korean	21,999	n/a	17,262	19,594	191,872
Scandinavian	n/a	n/a	n/a	n/a	113,579
Canadian	18,750	n/a	12,784	14,109	117,780
East-European	12,738	n/a	7,841	9,947	73,418
Other	384,240	n/a	192,516	147,379	2,188,257
Total	1,363,295	695,779	93,4587	954,107	11,158,311
Rate of increment	-0.77	-48.96	34.32	2.09	92.04

Source: Department of International Trade Promotion, Ministry of Commerce, 2012.

those who take a few medical services, and (3) tourists who take specific medical treatments.^[3] Figure 1 shows that the medical tourists who enjoyed the medical services in Thailand are mostly alien residents, who spend their long stay in Thailand, especially elderly foreigners from Japan and Europe; for instance, nowadays, there are 2,000 elderly Japanese arriving for a long stay in Chiang Mai, particularly, in Huay-kaew road area.^[5] Therefore, by looking at this situation, the

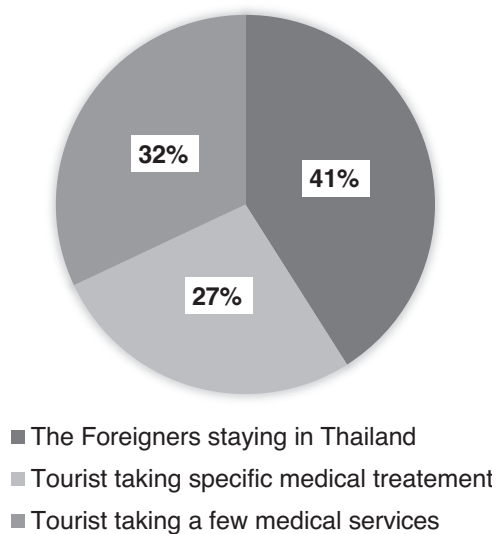


Figure 1: Classification of medical tourists in Thailand. (Source: Department of Health Service Support, 2012)

Thai Government provides long-term residence services to support them in terms of quality of life with loving costs, prices, facilities, infrastructure, and landscapes of health services. The principle of long-term tourism is to present a good relationship between the tourists and local people.^[5]

The main products that are provided in Thai medical tourism hub are not only about long-term residence services but also consisting of medical service, health promotion, traditional Thai and alternative medicines, and Thai herbs and health products. The medical service is well known as International Healthcare Center, which is providing health services for heart disease, orthopedic, gynecology, plastic surgery, transgender, beauty and skin, optic, organ transplantation, medical checkup, dental, and elderly persons.^[3] The most popular treatments enjoyed by medical tourists include general checkups, dental care, hip replacement, laser eye surgery, kidney transplants, and heart surgeries. The price range of surgery services in Thailand when compared with the United States can be up to 90% less expensive.^[6] However, medical tourism revenues in Thailand are estimated to reach about 140,000 million Thai baht; it is 18% higher when compared with the prior years.^[3]

Large hospitals located in Bangkok and attractive provinces are the targets of medical tourists, and the hospitals are primarily from the private sector, followed by public sectors, which are also Joint Commission International (JCI) accredited. This accreditation shows that the hospitals in Thailand have been focusing on the quality, such as the Bumrungrad International Hospital, Bangkok Hospital, Samitivej Sukhumvit Hospital, Samitivej Srinakarin Hospital, and many others that consist of 34 JCI Hospitals and eight clinics provided.^[7]

Some concerns in medical tourism related to ASEAN MRA

To the success of medical tourism in Thailand, the government needs to work together with all sectors, both the public and private.^[3] Normally, such a success cannot be achieved without problems. Thailand, nowadays, is facing the health personnel shortages, especially of physicians and nurses. It is because of the high demand not only for the foreigners but also for the Thai population itself (i.e., about 67.010 million people need to be served).^[8] Currently, the annual production has increased to 2,500 for medical doctors and 9,000 for nurses. However, the production capacity remains low.^[9] Furthermore, the ratio of physician population is 0.39 physicians/1,000 population (2010), which is lower than its neighbors such as Malaysia (1.2 physicians/1,000 population) and Singapore (1.92 physicians/1,000 population).^[10] Pachanee and Wibulpolprasert^[11] estimated that the need of additional doctors for foreign patients in Thailand in 2015 would be about 176 to 303 or 9%–12 % of additional doctors required within the health system and 23%–34% of those required for the Thai patients.^[11]

On the other hand, there is still debate in the literature that health personnel shortage in Thailand occurs owing to medical tourism, which drives to internal brain drain; moreover, Kanchanachitra et al.^[9] indicated that more than 300 specialists moved from the public sector to private hospitals in Thailand from 2005 to 2006, which will impact not only the quality of teaching hospitals but also the medical education that exhibit the loss of experienced physicians to teach and train new physicians in the country. In contrast, the study carried out by Janjaroen and Supakankunti^[12] did not confirm a causal relationship between the foreign ownership of hospitals and the internal brain drain in Thailand. However, the main point is not to identify the factors related to health personnel shortages but to double the number of health personnel in Thailand, especially for physician specialists.

Chee^[13] indicated that medical tourism could actually reduce external brain drain. Otherwise, it may be the pull factor for health personnel to migrate to Thailand, especially in the ASEAN economic community era, which will begin in the end of 2015. Furthermore, Thailand is one of the 10 ASEAN member countries that signed the agreement under MRA to facilitate the health professionals to work and move among the ASEAN countries.^[14] It might be a good opportunity to solve health personnel shortages and fulfill the demand of unfilled position in medical tourism in Thailand, because it will take more than 10 years for the Government of Thailand to produce experienced and professional physicians if they only rely on the production capacity of the country.^[3] Moreover, the limitation in language skill and the problem of Thai health personnel^[3] could be handled by the foreign physicians to deal with international customers. However, ASEAN MRA might be a treat for Thailand if health personnel are interested to migrate to other countries, and it will be an impact to severe shortage, or if there are many foreign physicians working in Thailand, the position of Thai physician will be replaced and might impact the health workforce system.

Hence, the government needs to set the strategy to deal with the number of health personnel and ASEAN MRA.

In line with this, there are four modes of supplying service to customers under General Agreement on Trade in Services (GATS) for medical tourism, which include: mode 1: cross-border supply, mode 2: consumption abroad, Mode 3: commercial presence, and mode 4: movement of natural persons.^[15] However, Thailand made no commitment under the modes 3 and 4, which are the most controversial modes of supply. On the other hand, the foreign medical professionals are required to have their qualifications approved and pass an examination in Thai language before being able to obtain a license from the Thai Medical Council or other professional councils. But, currently, Medical Licensure Examination will be in Thai language (50%) and English (50%).^[16]

CONCLUSION

It can be concluded that the ASEAN MRA is a promise to cope the health personnel problem in Thailand, particularly, the shortage of health personnel that will impact the quality of health services in medical tourism hub. The mode 4 supply of GATS, which facilitate the movement of health personnel, is a kind of solution. However, this mode might not occur nearly in the future. Moreover, those who want to work to be medical personnel need to pass examination in both the Thai and English languages.

Otherwise, the ASEAN MRA is also a threat for medical tourism hub in Thailand owing to the possibility of migration of health personnel to other countries that offer good prices and opportunity, which will create a severe shortage in the country. On the other hand, to absorb foreign health personnel might not be a good deal as that may impact the health workforce structure in Thailand.

This article has provided the insight of medical tourism hub in Thailand and some concerns related to the ASEAN MRA. It is hoped that this knowledge and information will enhance a further research to develop medical tourism in Thailand and the success of the ASEAN MRA.

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