

# Medical Travel

## The Hybrid Future of International Healthcare

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# The “frame”

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- World Trade Organization (WTO) & General Agreement on Trade in Services (GATS)
- Market(s) Development – Type of Commitment (Merritt)
- From Opportunity to Sustainability
- New models

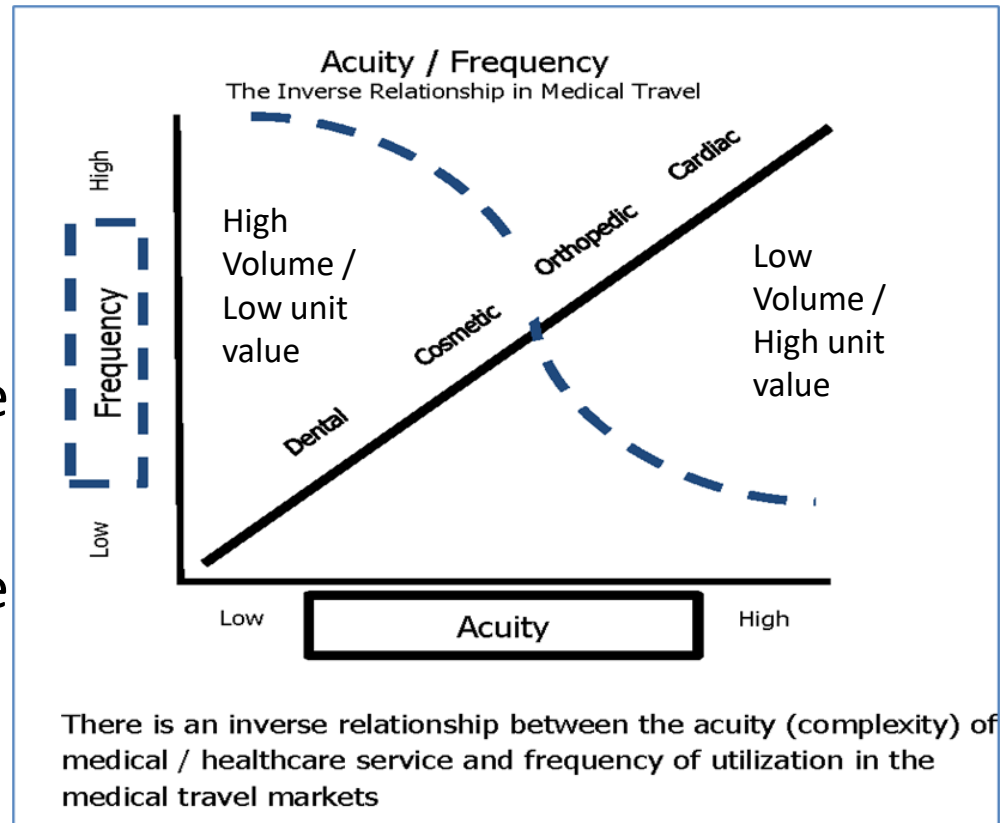
# GATS

Mode	Type	Trade in healthcare	Examples
<b>Mode 1</b>	Cross border supply of services	Trade across borders through electronic media; shipment of materials; analysis of information	Telemedicine; Transfer of images for evaluation and analysis such as radiology, histology, cardiology, etc.
<b>Mode 2</b>	Consumption abroad	Care for foreign patients in a destination across a border; foreign students attending classes	Consumers traveling across borders for the express purpose of receiving treatment; students from one location traveling to another location for training
<b>Mode 3</b>	Commercial/operational presence	Establishment of foreign operations, subsidiaries or investment for the management or provision of health services	Providers from one country initiating services through an operating entity in another country
<b>Mode 4</b>	Presence of natural persons	Temporary movement or location of health professionals providing services abroad; short-term consulting assignments	Locum tenens across borders; consulting

# GATS Mode 2: Health / Medical Tourism Markets

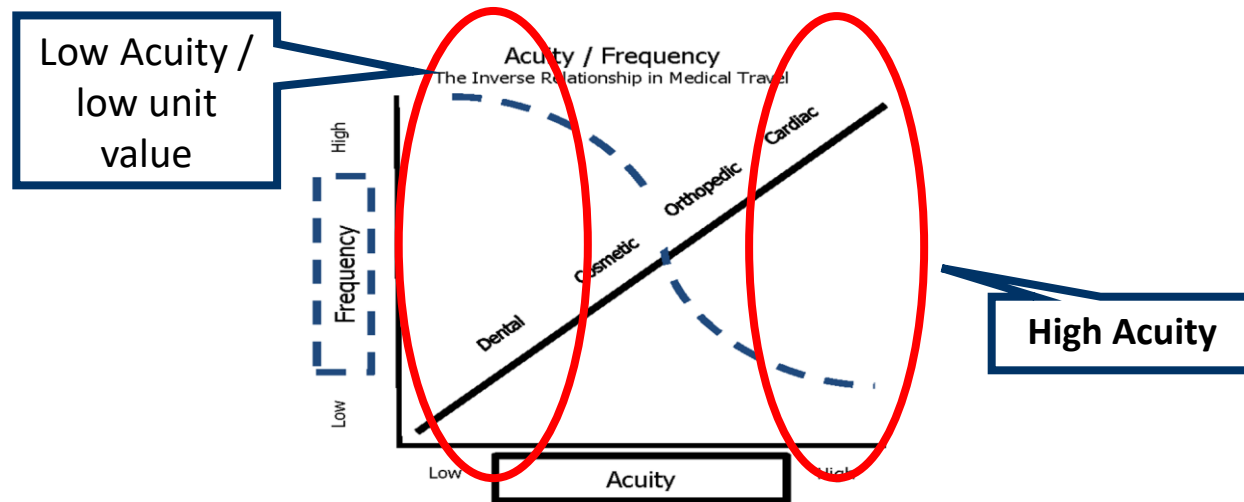
## Historical Structural Limitations

- Inverse relationship:
- Acuity v. frequency
- $\uparrow$  volume /  $\downarrow$  unit value
- $\downarrow$  volume /  $\uparrow$  unit value



# Health / Medical Tourism – The Recovery

- Traditional (Mode 2) segments returning



There is an inverse relationship between the acuity (complexity) of medical / healthcare service and frequency of utilization in the medical travel markets

# Legacy of International Medical Travel Programs

- Opportunistic
- Private financing
- Limited # of partners
- ↓ complex
- Leading with strengths
- Risk averse consumers
- Leverage PPP
- Labor - leverage
- KPIs to benefit source country?
- Impact on environment?

# Opportunistic → Sustainable

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## Sustainability:

- Repeatable
- Scalable
- Financially viable
- Deliver value for patients
- Impact on environment

# From Opportunity to Sustainability

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## **Three-legged stool (healthcare)**

- Capital investment
- Knowledge & skills
- Labor



# Refocus on Labor Opportunities

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“The world is currently facing a shortage of around 900,000 midwives, ...” – UNFPA <https://news.un.org/en/story/2021/05/1091282>

ICN estimates that the nursing workforce alone could hit a shortfall of 13 million by 2030. [https://www.icn.ch/sites/default/files/inline-files/ICN%20Policy%20Brief\\_Nurse%20Shortage%20and%20Retention.pdf](https://www.icn.ch/sites/default/files/inline-files/ICN%20Policy%20Brief_Nurse%20Shortage%20and%20Retention.pdf)

WHO “estimates a global shortage of 18 million health workers by 2030, mostly in low- and lower-middle-income countries, with nurses making up about half of this gap”.

<https://www.clintonhealthaccess.org/there-is-a-global-shortage-of-nurses-covid-19-is-making-it-worse/>

Research supporting the growing global role of Physician Assistants: [Social Innovations Journal](#), Vol, 8 (2021): A Healthcare Workforce Cadre that Meets a Country’s Needs.

# Re-imagine: Sustainability

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**GATS:** Four modes for services delivery

**Commitment:** Foreign patients; brand & reputation; education & research; financial rewards; recruit & retain professional staff.

*Expand commitments to add...*

**Sustainable:** Repeatable; Scalable; Financially viable; Deliver more value for patients in the source country; Minimize impact on environment.

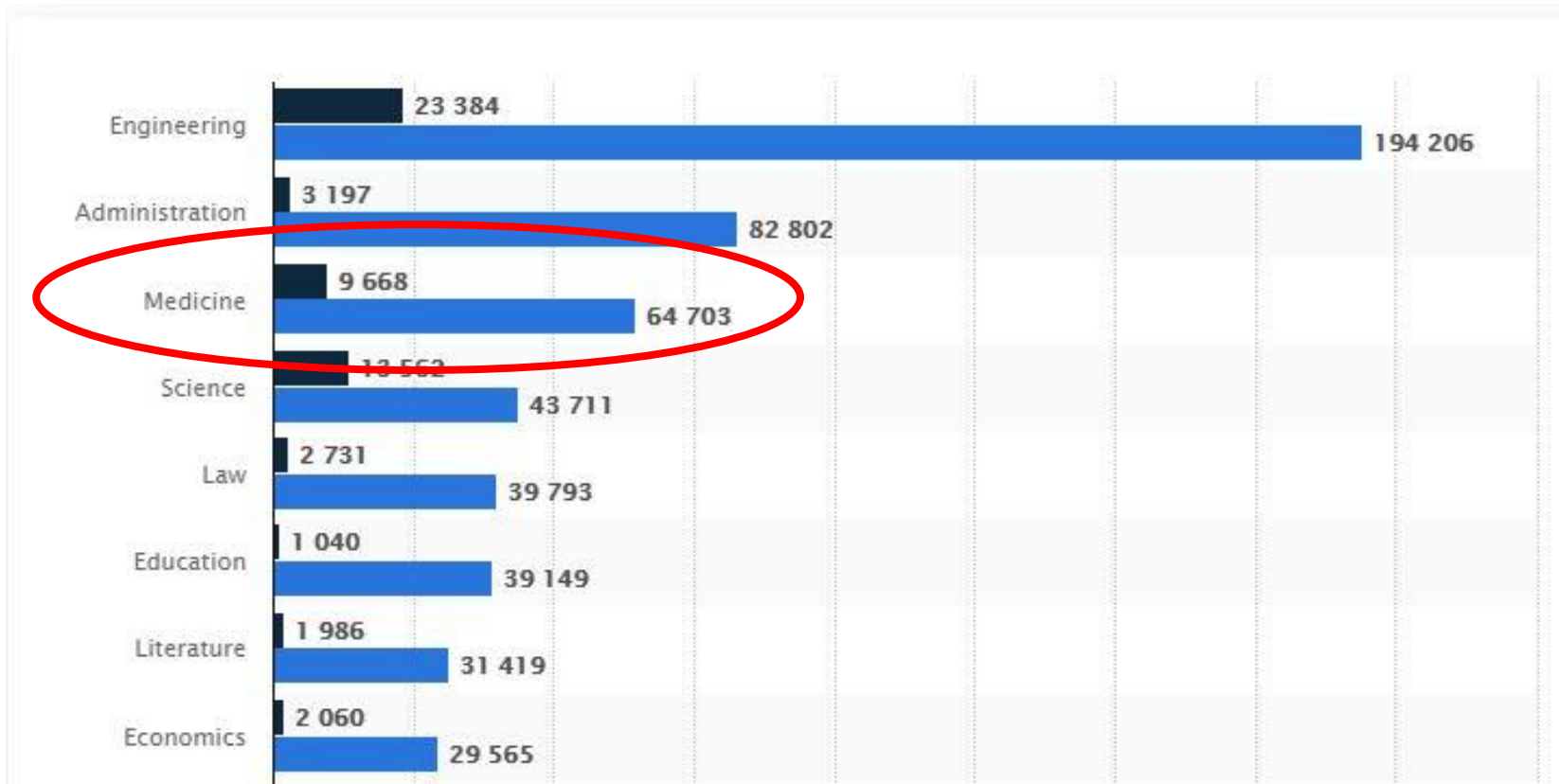
# Chinese Model

- PKU-iGHD
- Peking University Institute for Global Health and Development (PKU-iGHD)
- *PKU ... "aims to better integrate multi-discipline resources in public health, economic management, international relations and other related fields"*
- Modes
  - Mode 1, 3 & 4
- Commitment Type
  - Stage I, II, II & (?) IV



# Chinese Model – Labor?

Number of advanced degrees China - 2019



# Conclusions

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- GATS Mode 2 Exports
  - Highly vulnerable markets (geo-politics, pandemic, PPP, etc.)
- What got us here, won't get us "there"
- "There" → GATS Modes 1, 3 & 4  
→ Stages I & III (*education & research*)
- Sustainable
- Labor
  - Sourcing
  - Skills
  - Deployment
- New models & competitors

# Conclusions



# Conclusions

- New models

General Agreement on Trade in Services (GATS): Modes & Types of Trade			
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ML / AI applications

Telemedicine; Transfer of images for evaluation and analysis such as radiology, histology, cardiology, etc.

Providers from one country initiating services through an operating entity in another country

Temporary movement or location of health professionals providing services abroad; short-term consulting assignments

Multi-national / Hybrid & Risk-bearing

Skills / Knowledge transfer through temporary assignment

# Thank you!!

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