

*Happy Life Region*  
*West Mediterranean*



# HEALTH TOURISM SECTOR REPORT

WEST MEDITERRANEAN DEVELOPMENT AGENCY

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## FOREWORD

Regional development agencies whose history dates back to old times in developed countries are the models newly adopted in Turkey. These agencies aim to accelerate regional development, ensure sustainability and reduce interregional development disparities in accordance with the principles and policies set in the development plans and programs, through a cooperative networking between local authorities, private sector and civil society.

One of the tasks given to agencies to achieve their aim is whether to do research on determining the resources and opportunities of the region, accelerating economic and social development and enhancing the competitiveness or to support the researches done by other individuals, organizations and institutions.

West Mediterranean Development Agency which largely completed its process of establishment and institutionalization is responsible for providing free consulting services to investors in Antalya, Isparta and Burdur. In addition, through a one-stop shop approach, the agency offers an extensive range of services including coordinating and following-up the permits, licensing procedures and other administrative works within the scope of public institutions and organizations of investors. Furthermore, the agency promotes the investment opportunities of the region both at national and international level in cooperation with relevant organizations.

In line with the mentioned task above, the sector reports were prepared to guide the investors willing to invest in the region and promote the investment opportunities of the region.

At first, Marble, Milk and Dairy Products, Solar Energy, Golf Tourism and Health Tourism Sector Reports of West Mediterranean Region, Tourism Potential of Egirdir Report and Antalya – Konya High Speed Rail-Line Report have been prepared. Over time, many sector reports related with the region will be prepared and investment opportunities of the region will continue to be promoted. Being helpful with these sector reports to investors and all other institutions operating in the region is our greatest wish.

**Tuncay ENGIN**

Secretary General of WMDA

**Dr. Ahmet ALTIPARMAK**

Governor of Antalya  
Chairman of WMDA





## 1. GENERAL INFORMATION ABOUT MEDICAL TOURISM

Medical tourism means to travel to other countries because of high cure and operation prices in the country and to get more qualified medical operations.

Due to the growing World population, the increasing life quality and rising cost of health care services; people tended to some countries in order to get better quality and relatively cheap service. Proportional increase in the elderly population has been one of the factors that increase health tourism as well.





The factors that play an important role in the development of health tourism can be summarized as follows.

- Getting rid of long waiting lists
- Getting more qualified treatments in shorter time periods
- Treatments that require high reach of health technology
- Reducing the health care costs
- The need of different environments for chronic, disabled and elder patients
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In health tourism, the cures and medical operation expenses diminishes more than 50% when compared to patients' country. The most efficient factors about developing this tourism branch are lowering the expenses, improvement in medical technologies, low transportation costs and online marketing.

Medical tourism has various fields. Investors should decide first, which fields of medical tourism they will work and which countries they will choose as focused markets. Thermal tourism, aged or disabled tourism, high-tech medical operations, eye diseases, infertility curing, plastic surgery, it must be defined which one is investor's sphere of interest.

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## 2. MAIN ELEMENTS OF HEALTH TOURISM

### 2.1 Medical Tourism



Medical tourism became more important due to increasing attention on importance of health. Singapore, the Philippines, UAE, India pay a lot of efforts to increase the revenue on health tourism. For example, Singapore is planning to host 1 million patients and earn \$1.8 billion in 2012. Dubai has founded a “treatment city” for Asian patients.

Nigerian citizens spend about \$2 billion per year to get medical treatments outside the country. Japan is sending its employees abroad for even the most minor health problems and leads elderly people to nursing homes abroad.





## 2.2 Thermal (Hot Springs) Tourism



Thermal cures and treatments, spa treatment, cure, healing mud and soil can be varied within the scope of health tourism.

Various countries make large investments on this issue around the world. In 2000, Germany has provided a total of 69 million days of thermal treatments to 10 million people. About 8.5 million patients in Germany and Hungary, 8 million in Russia, 1 million in France, 800 thousand in Switzerland getting thermal treatment services from abroad.

Treatments with thermal waters have always been as a common method in Anatolia. Turkey is located on a major geothermal zone. There are over 1,000 thermal springs with mineral-rich content in Turkey. Turkey is in 7th place in terms of thermal resources in the World. Turkey can entertain about 1.5 million visitors from abroad in thermal treatment facilities. Due to the 2% increasing of world population aging per year, thermal tourism becomes more reasonable and more reliable for investments. Thermal tourism attracts mostly elder people which can be considered a great advantage in terms of geopolitical position. If Turkey spends more time and money on thermal tourism facilities and investments, it can be the most popular destination for Middle Eastern Countries and European Countries.

“There are over 1,000 thermal springs with mineral-rich content in Turkey.”





## 2.3 SPA Tourism for Elders and Handicapped

24% of the world's population in 2010 consisted of 60 and above age group. In Europe, this number is approximately 110 million people. This age group considers mostly choose the countries which have clean, fresh and warm air. According to UN, there are more than 500 million handicapped people in the World. A variety of services can be offered in clinic hotels, recreational facilities and nursing homes for elders and handicapped people.

Nowadays, Spa-Wellness services are quite common. Professionals apply thermal water and some aromatic cure treatments in order to reduce the pain and suffering to the patients.

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### 3. MEDICAL TOURISM IN THE WORLD

Medical tourism has an accelerating development in last ten years. It becomes an alternative tourism sector in the World. Countries which interested in medical tourism such as India, Costa Rica, Hungary, Turkey, Lithuania, Israel, Jordan, Thailand, Malaysia, South Africa and Cuba are the leading countries in health tourism.

The most important region for medical tourism is Asia Continent. This region accepts 1.3 million medical tourists per year. Medical tourism comprehension had reached amazing levels in countries like Thailand, Singapore, India, South Korea and Malaysia. Medical tourism began with gender changing operations and plastic surgery in Thailand in 1970's.

India is accepted as center of medical tourism at the present day. This country has very low prices and aims to heighten its medical tourism revenues to 1.2 billion Pound until 2012 (Yıldırım ve Altinkaya, 2006).



“It is very important to reach out insurance agencies and citizens in EU to promote health services in Turkey.”

In USA medical tourism spending reaches 5.5 billion \$, in Europe it reaches 3.5 billion Euros. Czech Republic gains over 1 billion \$ from medical tourism in a year (Gümüş and Büyük, 2008). The demand of medical tourism is concentrated in North America, West Europe and Middle East. European tourists usually choose India, Malaysia and Thailand. Malaysia is being chosen because of its Islamic reference in the Middle East market. Singapore is destination of Japanese tourists and Cuba is destination of Middle American tourists.

According to a study made by McKinsey Health Care in the US, 40% of the patients consider advanced technology whereas 32% seeks high qualities that go to abroad for health treatments. The number of American medical tourists in 2007 reached 300 thousand and it is growing very fast.

Although there is not a common health policy in the European Union countries, each country offers these qualified and speedy services to its own citizens. However, health services and health care services are relatively more expensive and profit margins are very low in these countries which make institutions turn into other areas. It is very important to reach out insurance agencies and





citizens in EU to promote health services in Turkey. 5 million Turks and 25 million Muslims living in EU member countries can be selected as the main target.

Central Asian and Middle Eastern countries used to have health services in the US and EU countries, but they have turned towards alternative service providers after September 11th attacks. Turkey can be a new health care provider especially for the wealthy people who live in Turkic Republics. It is same for Middle Eastern Countries as well. Promoting and marketing the historical, cultural and promotional ties of Turkey can be an important factor in order to attract more visitors for treatments.

U.S. citizens choose Mexico, South America countries, India and Thailand for health care services. Low cost and more qualified treatments, touristic and cultural activities, therapies not covered by insurance companies and being able to have secret operations such as change of sex, tube baby etc. are the main elements for US citizens to go abroad for health care.

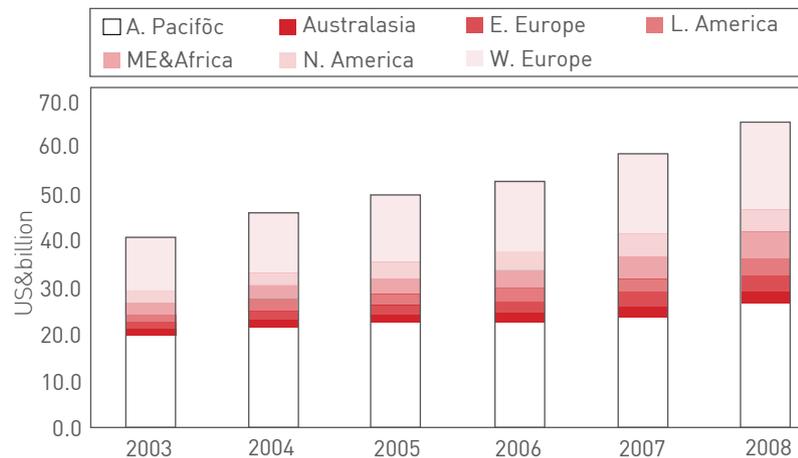
“Although there is not a common health policy in the European Union countries, each country offers these qualified and speedy services to its own citizens.”





Health centers and hospitals are in effort to become accredited by Joint Commission International (JCI) which is operational in 80 countries around the world. Members of this institution are considered to be more reliable health care institutions. 344 organizations in 44 countries are accredited by this institution as 2010. 39 hospitals are certified by JCI which is a great advantage for Turkey.

The size of the global health and wellness market;



Source: Euro monitor International from trade sources / national statistics.





## 4. ECONOMY OF MEDICAL TOURISM

The official sources show that in 2008, 4.1 trillion Dollars and in 2009, 5.4 trillion Dollars health expenditures have been spent worldwide. The countries allocate a budget to health expenditures, changes between 2% - 16% of GDP's according to development levels. In Turkey this ratio is 5.7%, under the OECD average of 8,9%. 73% of health expenditures is paid by public sources in OECD countries but in Turkey this ratio is 71%.

“In 2012, it is estimated that incomes of the sector will rise 140%, from 50 billion Dollars to 120 Billion Dollars.”



## Distribution Of Medical Service Fees According To Countries(\$)

	USA PATIENT PAID	USA INSURANCE	TURKEY**	INDIA	THAILAND	SINGAPORE
Angio	98,618	44,268	3,500	11,000	13,000	13,000
Bypass	210,842	94,277	12,000	10,000	12,000	20,000
Cardiac valve surgery	274,395	122,969	12,000	9,500	10,500	13,000
Hip surgery	75,399	31,485	13,000	9,000	12,000	12,000
Knee surgery	69,991	30,358	15,000	8,500	10,000	13,000
Spine	108,127	43,576	15,000	5,500	7,000	9,000
Mastectomi	40,832	16,833	9,000	7,500	9,000	12,400

*\*Medical Tourism: Global Competition in Health Care”, Devon M. Herrick – National Center for Policy Analysis*

*\*\* TAIK and TÜSİAD Report*

It is known that there are 600 million medical tourists in the world. In 2012, it is estimated that incomes of the sector will rise 140%, from 50 billion Dollars to 120 Billion Dollars (Sağlık Turizmini Geliştirme Derneği, STGD Bülteni, 2008).

- The basic factor of the development of medical tourism is price differences among the countries. Especially complex surgery operations have very important price differences. For instance, in USA, having an open heart operation costs 70.000 Dollars (Connel, 2006:6). Open heart operation prices rise to 70.000 Dollars in England and 150.000 Dollars in USA. But India’s best hospitals make these operations between 3.000-5.000 Dollars. It makes the flow understandable.



“Promoting and marketing the historical, cultural and promotional ties of Turkey can be an important factor in order to attract more visitors for treatments.”



- Arbitrage of the exchange rates is another factor in the sector. Medical tourists can easily change their destination if a small movement in exchange rates provide them an advantage.
- Because of health services were assigned from public service to private sector in wealthy nations, especially USA, health expenditures have increased. So, medical services market became very important.
- In some western countries, cosmetic, dental and plastic surgery operations are out of the health insurance coverage. So people search cheap treatment opportunities in foreign countries (Connel, 2006: 5). For instance, in France denture and dental plate operations are uncovered by health foundations.
- Another kind of medical tourism is trans-national retirement. Care centers for old people in foreign countries allure this category of tourists. Countries like Kenya allow a long time staying to old tourists in the country. Turkey makes some attempts about retired people coming from North Europe. “Care Insurance System” is an important finance source which established in some countries like Germany for old and disabled people.



## 5. MEDICAL TOURISM IN TURKEY

Every year millions of tourists come to Turkey for health purposes and Turkey gains very important revenue. In addition to this, Turkey has important developments in medical tourism. In recent years, more and more patients choose health institutions in Turkey for treatments. The main reason, institutions can make modern medical operations with fair prices like other countries. Foreign patients from all over the world come to Turkey to health institutions for plastic surgery, eye operations, hair plantation, fertility, open heart operations, dermatology, cancer treatments, brain surgery, orthopedics, dental operations, etc. for lower prices with high-tech standards.

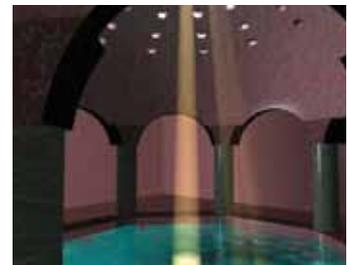
However, despite the investment of billions of dollars made in Turkey for health tourism demand is not sufficient, and yet at the desired level. The deficiency on promoting and marketing of this sector can be seen the main



reason for sufficiency. There are areas that are highly developed in Turkey, and as in many Asian countries, treatment and operation costs are very reasonable in comparison to western countries.

For instance, fertility treatment is 15.000-16.000 Dollars in USA and 2.600 Dollars in Turkey. Eye operations are 4.000-8.000 Euro in European Countries and 600 Euro in Turkey. Open heart operation is 25.000 Euro in Europe and 10.000 Euro at first-class hospitals in Turkey.

The institutions in Turkey follow the developments in USA and Europe very closely. Turkish doctors' achievements are followed by all nations in the World. The major aim must be providing the patients from medical treatments and also benefit from tourism potential in treatment areas. There are some examples for this concept in Kayseri. An eye center arranges a Cappadocia tour, skiing opportunities and cultural trips for its patients for five days with a professional tour agency.



“Approximately 29 million tourists came to Turkey in 2010 and 18 billion dollars of revenue has been gained.”



Medical tourism and thermal tourism can be executed together in many regions which makes a significant advantage for Turkey. Especially thermal water helps curing many illnesses. Turkey is one of the richest countries in having thermal resources and in first 7 countries in the World.

Most of the patients come to Turkey from Europe according to specialists. Patients coming for eye operations, stay in Turkey for 4-5 days and spend approximately 2.500 Dollars.

If we consider that holiday tourism income 650 Dollars for person, medical tourism provides 2.500 Dollars and 4.5 times more income than holiday tourism. So we can see the benefits from medical tourism more clearly by this data.

Because of inadequate promotion and inefficient marketing in abroad, the demand in this sector is not enough for Turkey.

“Important part of the patients comes to Turkey treatment for eye disorders, secondly for infertility treatments.”

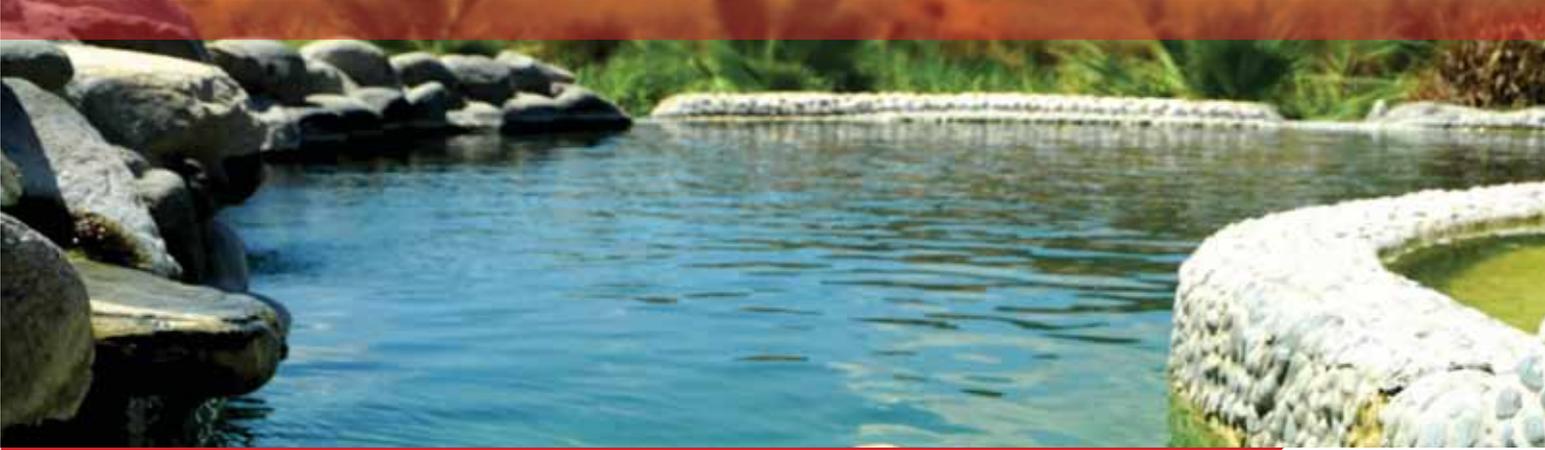


### Incoming and Outgoing Patients' Statistics

	OUTGOING TURKISH CITIZENS FOR HEALTH CARE	INCOMING TURKISH CITIZENS FOR HEALTH CARE	INCOMING FOREIGNERS FOR HEALTH CARE	HEALTH EXPENDITURES BY FOREIGNERS IN TURKEY (Million Usd)
2005	47.248	55.741	164.600	163
2006	41.397	39.834	153.900	192
2007	18.505	43.951	154.540	247
2008	20.057	62.171	162.480	282
2009	30.852	68.545	132.680	225

Source: TÜİK and T.C. Central Bank, 2010

“Main target of the medical tourism shall be during health care treatments, providers must ensure patients and their families to benefit Turkey’s natural and historical beauties as well”



## 6. ADVANTAGES OF HEALTH TOURISM IN TURKEY

Benefits of health tourism in Turkey are shown below.

- High quality of infrastructure and facilities at the hospitals
- Qualified doctors' and the service providers' educational and experience level is in western standards
- Ranking 2nd place with 39 hospitals accredited by JCI.
- Price advantages according to other countries
- Turkey's geographical location and traditional, natural, historical, touristic attractions
- Qualified and high standardized tourism facilities and staff





- Turkey has an extensive potential in herbal, thermal, climatic, cave, sea treatments naturally
- In terms of the richness of thermal resources Turkey is the first in Europe and seventh in the World
- Integration with other tourism branches





## 7. HEALTH TOURISM IN WEST MEDITERRANEAN REGION

Isparta, Antalya and Burdur have great health tourism potential which are the provinces of WMDA region. This region has always been a pupil in terms of natural beauties, cultural and historical heritage.

Recently, health tourism became quite important thus, new steps and investments for health tourism in the region are continuing. Especially, Antalya has made very significant progress in medical tourism. Advanced levels of organ transplant operations are being successfully implemented in Akdeniz University Faculty of Medicine. Also private establishments such as Medical Park, AykaVital, Interdentalia, Life Hospital, and the World Eye Hospital are making comprehensive clinical treatments successfully as well as spa-wellness services and surgeries.

In addition, spa-wellness practices are being applied by professional teams in Antalya. The tours especially for elders and handicapped people are very effective to spread the health tourism over 12 months in the region. A project started for Norwegian pensioners to live in Turkey in 2008 and, first



attempt of this project has been chosen as bringing 1400 old-age pensioners and hosting them in a five-star hotel in Antalya Belek after January for 8 months.

There will be established Norwegian villages in 10 different regions of Turkey which will host more than 25 thousand retired Norway elders. It is hoped that this project will be a fresh blood to Antalya-Turkey tourism. Especially in Gazipasa provincy, there are very suitable lands for these kinds of projects and investments.

## 8. CONCLUSION

According to a survey, "Emerging Medical Tourism in Turkey" made by RNCOS Research Corporation in 2009, Turkey has grown up by 40% in 2008 compared to 2007. If the conditions mentioned above are provided, then Turkey can get 15 billion Dollars from health tourism. Medical tourism and health tourism are new and researchable for academicians and companies. About this sector more advanced studies can be made like medical tourism demand, the criteria of choosing destination in medical tourism, competitive analysis in regions of medical tourism, financial sources from abroad and integration models of conventional tourism-health tourism-thermal tourism-medical tourism.

Doing investment in the field of Medical Tourism in the West Mediterranean Region is a profitable business because of the reasons written below.

- 34% of the tourists that comes to Turkey prefer West Mediterranean Region.
- In 2010 approximately 10 million tourists came to Turkey for medical tourism. Medical tourism sector is growing between 6% and 12% each year.

- Having excellent facilities and amenities for different branches of tourism such as sea, mountain, adventure, culture and medical.
- Providing opportunities for living four seasons at the same time
- Clean air, forests and the unique natural beauties
- Especially having a wide range of facilities for third age tourism
- Being on a close position to thermal facilities (Afyon, Sandıklı)
- Existence of the supporting institutions for the investment
- Having an international airport on which direct flights take place to European and Middle Eastern countries
- Well educated and warm welcoming staff

