Medical tourism refers to the practice of people traveling abroad to obtain medical care and services. In the past medical tourism has mainly consisted of wealthy people traveling to countries such as the United States and paying for the use of advanced medical facilities. Nowadays, there is an increasing trend whereby patients are traveling to middle and low-income countries to obtain low-cost health services with short waiting times. Medical and surgical procedures can cost between five to ten times less in India than the United States.

Some destination countries such as India have actively promoted medical tourism. This is because it can bring about benefits including increases in revenue, foreign exchange reserves and tourism. It is estimated that medical tourism generates over US$60 billion in business. In addition, it has led to the creation of high-tech private medical facilities in India.

Questions remain about whether local populations actually benefit from these facilities and national health systems from the revenues that they generate. Experience from India suggests that private hospitals attract health professionals away from the public health sector and rural areas in India. This internal brain drain creates shortages of trained health workers, thus reducing access to healthcare for local populations in rural India and exacerbating inequalities.

In India some private hospitals agreed to provide services to poor people for no costs and in turn received government subsidies in the form of land, tax breaks and medical equipment. However, the facilities oriented towards medical tourism (technology intensive tertiary services) do not meet the health needs of the average poor rural Indian and evidence suggests that few poor people have benefited from such care. It is important that the government does not overlook the negative impacts that health tourism can have on local populations, in particular on access to services and availability of public health professionals. They should also find ways of ensuring that the revenues accrued from health tourists are channeled into the public sector through national laws and regulations.

The article describes a trend, where large numbers of patients from wealthy countries, such as America, are traveling abroad to diverse countries including India, in search of less expensive health care. The article uses examples of India and Thailand to examine the implications of medical tourism in these countries. It shows that in both countries medical tourism has caused private hospitals to emphasise treatment over prevention, and promote technology-intensive tertiary services at the expense of primary health care. This has created distortions in the allocation of resources and spending that doesn’t match the needs of local people.

This article concludes that the international market in health care can have adverse effects on host countries, in particular, medical tourism can create health inequalities between those who can and those who cannot afford to pay for care.