ORIGINAL ARTICLE

Medical Tourism in Malaysia: KPJ Healthcare’s Perspective of West Asian Tourists

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Abstract

This article discusses medical tourism in Malaysia. Among the matters discussed is KPJ Healthcare’s view of West Asian health tourists. Also discussed are the potential of medical tourism, factors which encourage the industry of medical tourism as well as the role of the government in assisting development of this industry in Malaysia.

Key words: Medical tourism, Malaysia, KPJ Healthcare, West Asian tourists

Introduction

Medical expertise in Malaysia is among the best in the world and many private hospitals have reached internationally recognised standard and quality. This includes the MS ISO9002 Standard and Quality Health recognition from the Malaysian Medical Association (MSQH). When the Malaysian reputation developed as a choice destination for medical treatment and care, many visitors increasingly arrive from all over the world to seek a cure for various health problems. Among these are critical health services as well as cosmetic treatment and convalescence. The very competitive cost of treatment and hospital stay as compared to the same in developed countries and the level of expertise are among the best in the world (Malaysia Healthcare, 2011).

Based on statistics issued by the Association of Private Hospitals in Malaysia (APHM), there is a positive increase in the number of foreign tourists who seek medical treatment in Malaysia, seen in the increase from 75,210 persons in the year 2001 to 296,687 persons in the year 2006. This is a positive development in the medical tourism industry, whereby it is said to have successfully generated financial returns of RM203.66 million up to the year 2006. From 2001 to 2008, the number of outpatients increased threefold while generating income of about USD 59 million in 2006. The medical tourism industry was expected to generate as much as RM 540 million for the country in the year 2010 compared to RM 300 million in the year 2009.

Malaysia is also expanding as one of the popular places for medical tourism in the world. Over the years, the number of foreign tourists in Malaysia is increasing. Malaysia does not only have the medical expertise and skills at par with developed countries but also has the advantage of lower cost such that foreigners seek medical attention in this country. However, what most attracts visitors to seek medical treatment in Malaysia is how the rest and healing period can be spent here. Patients have the opportunity to sight-see and enjoy tourist activities during healing time. Visits to the beach can be arranged, moreover many medical centres here are situated near beaches or famous tourist resorts. Currently there are countries which offer this service to foreign patients, such as India, Brunei, Cuba, Colombia, Hong Kong, Hungary, Jordan, Lithuania, Philippines, Singapore, Thailand, Saudi Arabia, Germany, Spain, Tunisia and New Zealand. Among the medical treatments offered in this sector are heart surgery, organ transplant and plastic surgery (Tourism Malaysia, 2010; W. Hussain et al., 2012).

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**KPJ Healthcare:**

KPJ Healthcare was set up in the year 1979 and is a subsidiary of Johor Corporation. KPJ Healthcare started operations in the year 1981 and is currently the biggest private hospital in Malaysia. This hospital has more than 28 years experience in developing and management of private hospitals in Malaysia, Indonesia, Bangladesh and Saudi Arabia. KPJ Healthcare is focused on the development and management of private hospitals, allied health education and medical laboratory services. KPJ Healthcare also has a dedicated team of trained nurses and professional medical officers who give their best service to patients. In the year 2010, the number of KPJ Healthcare personnel worldwide totalled 680 medical consultants, 4,396 nurses and medical assistants.

**Medical Tourism:**

The sector of health or medical tourism is a newly emerging fast expanding phenomenon whereby patients seek treatment overseas even though the same treatment is available in their home countries. Medical tourism means individuals go to another country for tourism as well as medical treatment. The services usually encompass elective procedures as well as complex procedures and specialists such as in cardiac, dental, and cosmetic surgeries (Mohana, 2010). Health tourists refer to tourists who come to Malaysia for the purpose of medical treatment. This situation is encouraged by various factors, among them is the lower cost of treatment while services are of comparable quality to that in developed countries. Usually tourists from developed countries seek treatment in developing countries.

For example, uninsured or partially insured patients in developed countries seek alternative treatment overseas. This is due to the comparable services overseas available at a much lower cost in addition to the opportunity for tourism (Leng, 2010). Medical tourism in Malaysia is divided into two categories, health tourism and health program. A patient may choose to undergo treatment in any internationally known hospital and stay in Malaysia until they recover or they may tour Malaysia, visit hospitals and survey the infrastructure provided and their suitability before deciding to undergo treatment.

**Malaysia and Medical Tourism Industry:**

According to the Association of Private Hospitals in Malaysia, the national income for the year 2006 from the medical tourism industry is RM 203.66 million (USD 59 million). The rate of tourists who come to Malaysia to seek medical services has increased by 25.3% from the year 1998 to 2008. The government has identified this industry as greatly contributing to national income and is intensifying efforts to advance Malaysia as a regional centre of medical tourism. In line with this, the government has set up The National Committee for the Promotion of Medical Tourism in Malaysia for promotion purposes. The other members of this Committee are Malaysian Industrial Development Authority, the Malaysian Association of Tour and Travel Agencies, Malaysian Airlines System, the Primary Care Doctors’ Organisation of Malaysia and other tertiary hospitals.

**Factors which make Malaysia the Destination Choice for Medical Tourism:**

There are many factors which influence medical tourism. Among them are modern medical facilities, quality internationally recognised professional, short waiting time, political stability, low medical cost, infrastructural and lodging facilities and so on. Two important factors make Malaysia a desirable choice for medical tourism: competitive medical cost and modern sophisticated infrastructural facilities. For example, heart surgery in Malaysia costs within the range of RM 18,000 to RM 21,000 compared to the same in United States which costs about RM 60,000. Cost of treatment in Western countries is usually high. This causes many of their citizens to seek treatment in medical tourism destinations which offer a lower cost. Malaysia offers a lower and competitive cost compared to United States and European countries as well as other countries in the Asian region.

<table>
<thead>
<tr>
<th>Procedure</th>
<th>USD</th>
<th>India</th>
<th>Thailand</th>
<th>Singapore</th>
<th>Malaysia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heart bypass</td>
<td>130,000</td>
<td>10,000</td>
<td>11,000</td>
<td>18,500</td>
<td>9,000</td>
</tr>
<tr>
<td>Heart valve replacement</td>
<td>160,000</td>
<td>9,000</td>
<td>10,000</td>
<td>12,500</td>
<td>9,000</td>
</tr>
<tr>
<td>Angioplasty</td>
<td>57,000</td>
<td>11,000</td>
<td>13,000</td>
<td>13,000</td>
<td>11,000</td>
</tr>
<tr>
<td>Hip replacement</td>
<td>43,000</td>
<td>9,000</td>
<td>12,000</td>
<td>12,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Hysterectomy</td>
<td>20,000</td>
<td>3,000</td>
<td>4,500</td>
<td>6,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Knee replacement</td>
<td>40,000</td>
<td>8,500</td>
<td>10,000</td>
<td>13,000</td>
<td>8,000</td>
</tr>
<tr>
<td>Spinal fusion</td>
<td>62,000</td>
<td>5,500</td>
<td>7,000</td>
<td>9,000</td>
<td>6,000</td>
</tr>
</tbody>
</table>
The Asian countries which become competitors in various low cost health services are Thailand and India. For example, Thailand offers various health services, such as heart surgery to organ transplant, at a far lower cost than in Western countries, whereby a patient who undergoes coronary artery bypass surgery in Bangkok Hospital pays a total cost of about USD 12,000 (RM 37,908) compared to 10 times more or about USD 100,000 (RM 315,947) in his own country. Furthermore, overseas treatment also cuts down long waiting time for surgery due to the system or procedure in their respective countries. Thus, they are inclined to choose overseas treatment. The United Kingdom government is also beginning to encourage its citizens to seek overseas medical treatment to avoid the long queue and for the lower cost.

According to the industrial firm, Frost & Sullivan in International Medical Travel Journal, a health tourist pays attention to three important matters when choosing the destination for treatment: accredited doctor and nurse, easy access to hospital and accommodation facilities. Malaysia has the advantages of all three factors. This research shows that Malaysia has the added advantage of political stability. Furthermore, the economic crisis has caused medical cost in Western countries to go up and many choose treatment in Asian countries which can offer treatment and sophisticated infrastructure. In some countries, the patient faces difficulty having to wait a long time for treatment with limited choices thus leading them to choose treatment in Malaysia. Penang Island is the main centre for this sector, followed by Langkawi Island.

Challenges:

Medical tourism has many advantages. However, there are several risks and ethical issues which need the attention of parties with vested interests. Some patients lack natural immunity towards foreign environments. For example, a European or American patient, may not have natural immunity towards tropical conditions in Malaysia. This may cause the patient to be weaker and face complications. Furthermore, patients who have safely undergone surgery and wish to return to their country may face an increased risk of complication. This is because a long distance flight may not allow the patient to move, forcing him to sit for long hours. This may cause venous thrombus and pulmonary thrombus.

Some patients are advised to be exposed to sunlight for a certain period of time after surgery. Thus, a journey home might not guarantee this situation. And for some patients, medical insurance might not cover damage or losses for mistakes, wrongs or any negative situations caused by surgery outside the patient’s country. Thus this situation may cause difficulty for the patient. The patient might also be unable to take legal action against the doctor or hospital concerned (Whittaker, 2010).

Based on the experience of KPJ Healthcare, among the challenges faced in receiving patients from West Asia is communication. Most patients from West Asia speak only Arabic. This causes problems in interaction. Among the steps taken by KPJ to resolve this problem is to know the attitude of the patient to build up rapport based on friendship and trust, as a prerequisite for every social or business transaction, adapting to the norms of body language and exercising forbearance with West Asian patients.

The Government’s Role in Promoting Medical Tourism:

At this time, Malaysia has intensified her campaign in the Gulf Cooperative Council (GCC) and other West Asian markets where experts say the demand for high quality health care exceeds the supply despite heavy investment by the government and private sector. Meanwhile, the Malaysian government has introduced five steps to increase the contribution of medical tourism to the national economy. Former Prime Minister, Tun Abdullah Ahmad Badawi once stated that medical tourism has a big potential based on the country’s success in attracting 103,000 foreign nationals and accumulating RM 58.3 million through medical tourism packages throughout the year 2007. The five steps to drive the health tourism sector are: to arrange health tourism packages by coordinating hospital and hotel offers as well as forming an international referral networking, to encourage hospitals to be internationally accredited and strategically affiliated with world-renowned medical centres, to encourage formation of Malaysian multinational health companies by the private sector, to liberalise immigration conditions for medical specialists and foreign therapies as well as patients and to support clinical research in health institutions in building centres of clinical excellence.

Malaysia is truly an attractive choice destination for medical tourism due to its advantages of being a summer or tropical paradise, beautiful beaches, great shopping, delicious cuisine and friendly population. Further, she has modern medical facilities as well as world class health services at relatively low cost compared to developed countries. In line with the launching of Visit Malaysia Year in the year 2007, the Minister of Tourism at that time launched a health tourism website at www.malaysiahealthcare.com. This website is a complete administrator for health tourism, destination centre for all medical needs and tourism, bringing together all service providers on one platform. It acts as a convenient channel to facilitate all aspects of health tourism linking prospective tourists with all related agencies in this country. Information regarding service providers such as hospitals, health services providers, insurance agents, flight centres, hotels and so on can be
obtained in this web. This website enables health tourists to plan, arrange and manage matters relating to a complete treatment and vacation package in Malaysia from their own homes. For example, apart from selecting a hospital in Malaysia, a health tourist may also make inquiries about the doctor or specialist for the required treatment before selecting a doctor online and getting consultation regarding the procedure and advice on selecting treatment available. This will help avoid anxiety and fear on the quality of health care as well as implement a comprehensive vacation package to fulfil every need of a health tourist from healing to recreation.

In Malaysia, all private health centres are required to be approved and licensed by the Ministry of Health, while dental health care is administered by the Dental Association of Malaysia to ensure that dental facilities and services provided to patients are of high standard. The Ministry of Health has identified 35 private hospitals in the whole country which fulfil the required criteria for recognition as health tourism providers. In the year 2004, Malaysia gained RM105 million in foreign exchange earnings just from health tourists who seek medical treatment here.

**West Asian Potential in Medical Tourism:**

In the year 2010, it was projected that in the year 2025 the health expenditure of Gulf Cooperative Council countries (GCC) would reach USD 60 billion (RM 186 billion) based on the affluence, lifestyle, population increase, extended mortality and expected increase of patients, and this would be stressful on the available infrastructure and budget. Malaysia has the advantages of political stability, multiethnic culture, a wide selection of hospitals, skilled professionals, multilingual workers and competitive prices as the main factors which attract medical tourism in Malaysia (Utusan Malaysia, 2010).

The GCC comprises of the countries Bahrain, Oman, Saudi Arabia, Kuwait, UAE and Qatar. GCC has a total population of 47 million, while Jordan (4.6 million), Syria (21.9 million), Egypt (77.4 million), Sudan (42.7 million) and Libya (6.4 million) present a potential for the promotion of health tourism. Likewise with other countries in West Asia. Matrade (Malaysia External Trade Development Corporation) considers Malaysia as in a favourable position to emerge as the choice destination for West Asian patients who are looking for high quality health care.

**KPJ’s Efforts in Promoting Medical Tourism:**

KPJ has its own information technology system (HITS) which is able to generate comprehensive reporting in determining the whole profile of a foreign patient. KPJ also has a translator and coordinator for all Arab patients to facilitate communication with the embassy. It is also active in promoting health tourism in West Asia. Among the marketing activities conducted is participating in Health Exhibitions such as Health Conference-Arab, Malaysian Exhibition Services (MSE) 2011 organised by Malaysia External Trade Development Corporation (Matrade), Medhealth and Oman Wellness. KPJ also provides consultancy services maintained by Matrade and MHTC (Malaysia Healthcare Trade Council). KPJ also participates in congresses and seminars such as Health Travel Congress (Kongres Kesihatan Perjalanan), exhibitions and conferences in cooperation with Matrade and MHTC and Wisata Malaysia. Furthermore, KPJ also promotes through internet networking such as website, information dissemination through SMS, facebook or twitter. Up to the year 2010, KPJ has more than 10000 HT database of patients. Among KPJ publications and advertisements are A Healthy Me.Com, Aswaq–Arabic English Monthly Magazine, Arabian Business and Al-Musafir (KPJ Annual Report, 2009).

**Conclusion:**

The medical tourism sector is known for its business potential to medical institutions such as hospitals, medical research centres, specialist medical services and food nutrition administrators. All these add to business opportunities for export of medical equipment and the like. Based on the commercial nature of health tourism, many experts believe that good coordination in trade promotion by agencies of tourism promotion such as Matrade and Malaysian Tourism can attract more such opportunities. Malaysia can emulate other Asian countries in self-promotion as a medical tourism destination. Furthermore, Asia is seen as a growth centre for health care services, due to the less affordable medical services in developed countries, particularly in the European Union and United States, whereby the cost offered by some Asian countries which introduce themselves as health service destination is described as ‘pay less get more’. KPJ Healthcare is geared to receive and treat West Asian patients even though faced with various challenges. This is because West Asia has a market potential for KPJ in medical tourism. KPJ has made efforts in collaboration with health care and tourism providers in medical tourism packages for West Asian health tourists. Some of the packages provided cover heart operations, orthopaedics, ophthalmology and dentistry.
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