



420,000 foreign patients checked into Bangkok's Bumrungrad Hospital in 2007.

## NEED SURGERY? CALL A TRAVEL AGENT

Hospital care in the United States is expensive, and rates of surgical complications and infections can be high.

Those are just three reasons why your best option for surgery might be overseas

**M**ARK NEWCOMB will go where most Americans won't and do what most Americans wouldn't. Right now he is roped onto Symmetry Spire, high in Grand Teton National Park, and moving across the rock like a dancer crossing a stage. His strength and technique are multiplied by his poise and confidence. A thousand feet above the talus, Newcomb steps out onto a half-inch edge, pauses for a moment as he balances on the tips of his rock shoes, and then sets off across an expanse of blank granite. No trepidation, no doubt, no hint that 2 years ago Newcomb was crippled during a fall on this route, when the head of his femur crushed inside his pelvis.

"The fall banged me up pretty bad," says Newcomb. "My right leg was deeply punctured and spurting blood. The worst problem was my right hip joint. It was smashed."

He was rescued by chopper and taken to a hospital in nearby Jackson Hole. All of his injuries eventually healed adequately, except his hip, which needed to be replaced. Newcomb, a climbing guide for Exum Mountain Guides in Moose, Wyoming, had health insurance, but the deductible was \$10,000. And because the surgery could no longer be defined as "emergency," his insurance wouldn't cover it anyway. Newcomb had suddenly joined the ranks of the 75 million U.S. adults under the age of 65 who are either underinsured or have no health insurance at all.

Without surgery, he would have risked spending the rest of his life in a wheelchair.

"That's not really an option for a mountain guide," says Newcomb, "so I started doing my homework."

The first thing he learned was that a new operation, developed in Birmingham, England and known as hip resurfacing, was a much less radical and more appropriate treatment for his injury than a total hip replacement. The new surgery had been approved by the FDA only recently, in May 2006, so few U.S. doctors had experience with it. It would cost between \$38,000 and \$50,000.

"I would have been in debt for the rest of my life," Newcomb says, "but cost wasn't the only variable. I'm a climber. To keep climbing, I wanted the best doctor on the planet."

Having gone on some two dozen expeditions abroad, Newcomb felt entirely com-

fortable searching the globe for a surgeon who had extensive experience in hip resurfacing. He eventually chose Vijay C. Bose, M.S., D.N.B., of the Apollo Specialty Hospital in Chennai, India. Dr. Bose was educated in India and trained in England. He brought the Birmingham hip-resurfacing procedure to India, in 2000—six years before the surgery was approved in the United States. He has performed more than 800 procedures.

Newcomb vacationed in India over Christmas 2006 and had the operation.

**“I’m a climber. To keep climbing, I wanted the best doctor on the planet.”**

“The surgery was flawless,” he says, “and the quality of care was outstanding. I had my own room with a pullout bed for my wife, a big flat-screen TV, personal nurses.”

And the cost?

“Only \$7,200!” exclaims Newcomb. “And that’s for the surgery, the doctors, the hospital room, the postsurgery hotel, the rehab—everything but the airfare.”

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**NEWCOMB IS ONE OF THE VANGUARD, BUT** he’s not alone. In June 2007, the American Medical Association (AMA) provided a clear-eyed assessment of a growing phenomenon: medical tourism. The reason for the boom? “America’s health-care system has failed many of our citizens,” the report noted. And a study earlier this year from McKinsey, a management consulting company, estimated that up to 85,000 Americans a year book overseas trips specifically for treatment.

Once relegated to facelifts and fat reduction, medical tourism has branched out into almost every kind of procedure, including bypass surgery, heart-valve replacement, angioplasty, knee reconstruction, and spinal fusion.

Why? Two reasons: cost and quality of care.

Surgery to replace a mitral valve in a patient’s heart might cost \$9,000 in India; in the United States the price is closer to \$160,000, according to the AMA report. Where the average cost of angioplasty in the United States is \$45,200, the same procedure costs an average of \$8,200 in Thailand. In Singapore, spinal fusion costs \$9,000; in the United States, \$59,100. A hip replacement in the United States will cost \$42,400 on average; in India it’s \$6,500.

“We have a value problem in health delivery in this country,” says Michael Porter, Ph.D., the Bishop William Lawrence Uni-

versity Professor at Harvard business school and an authority on health-care strategy. He believes the U.S. health-care system lacks the right kind of competition, or in his words, “value-based competition,” with value defined as health outcomes per dollar spent.

Contrary to popular belief, the United States does not have the best health-care system in the world. A 2006 report by the Commonwealth Fund determined that, despite all the money Americans spend on health care, “quality of care is highly variable and delivered by a system that is too often poorly coordinated, driving up costs and putting patients at risk.” And compared with Canada, Japan, Australia, New Zealand, and 14 European countries, the United States ranks dead last, with the highest death rate for people under age 75 from conditions that could have been treated or prevented with timely medical care.

So there’s another reason to outsource your health care: Your life may depend on it.

**A**LTHOUGH SOME AMERICANS WHO seek health care abroad arrange everything on their own, the way Newcomb did, others use one of the many companies now specializing in medical tourism. These agencies

provide everything from locating the right hospital and doctor to securing passports.

“It’s all about providing options,” says Rudy Rupak. In 2002, Rupak cofounded PlanetHospital, a Calabasas, California, company that sends about five people a day overseas for medical treatment.

PlanetHospital operates in 12 countries at 42 different hospitals, including Samitivej Sukhumvit Hospital in Bangkok, Thailand; the Apollo Hospitals in Chennai, India, where Newcomb went; Jan Palfijn Hospital in Ghent, Belgium; and the Johns Hopkins-affiliated Hospital Punta Pacifica in Panama. Its network includes 14 oncologists, 30 heart surgeons, and dozens of orthopedic and plastic surgeons, most of whom are board certified in the United States.

Perusing PlanetHospital’s Web site is like studying a high-end restaurant menu. Choose your surgery, choose your hospital, choose your surgeon (you can check the doctor’s résumé and experience, for instance, and the number of surgeries of the kind you need that he or she has performed), and compare the price to the very rough estimate reluctantly provided by your local hospital or surgeon.

Rupak says that 45 percent of his clients undergo nonemergency, nonelective surgeries (such as knee, shoulder, back, and hip operations), while 30 percent have cosmetic procedures (tummy tucks, breast

## Cheap surgery? Get outta town!

Here’s a cost comparison for seven surgeries that men commonly undergo. The prices below have been converted to U.S. dollars. Each price reflects the total cost of the procedure—from the surgery and stay to anesthesia, lab work, prescriptions, and postsurgery physical therapy.

PAUL KITA

AVERAGE CHARGE IN THE UNITED STATES*	... AT CHRISTUS MUGUERZA, MEXICO	... AT BANGKOK HOSPITAL MEDICAL CENTER, THAILAND	... AT WOCKHARDT HOSPITALS, INDIA
<b>Angioplasty</b>	\$45,200	N/A	<b>\$8,200</b>
<b>Lumbar disc excision</b>	\$37,500	<b>\$7,500</b>	\$12,000
<b>Knee replacement</b>	\$39,800	N/A	<b>\$6,500</b>
<b>Spinal fusion</b>	\$59,100	\$15,200	<b>\$13,500</b>
<b>Hip replacement</b>	\$42,400	\$13,100	<b>\$6,500</b>
<b>Coronary-artery bypass</b>	\$96,400	\$33,100	<b>\$8,500</b>
<b>Cardiac pacemaker</b>	\$83,600	\$17,500	<b>\$7,500</b>

\*SOURCE: Agency for Healthcare Research and Quality

enlargements, and facelifts). Ten percent need dental work, and another 5 percent are seeking infertility specialists.

And PlanetHospital is by no means alone. If you google “medical tourism,” you’ll find plenty of competition, including MedRetreat, of Vernon Hills, Illinois.

“Our overseas hospital affiliates are full-service medical centers of excellence,” says Patrick Marsek, one of MedRetreat’s cofounders. “These hospitals have low infection rates, low mortality rates, and high success rates that are equal to or better than those of many American hospitals.”

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**FOR A FIRSTHAND GLIMPSE AT THE MEDICAL** tourism experience, I visited Bangkok’s Bumrungrad International Hospital. With a million square feet, 12-story Bumrungrad is the largest private hospital in Southeast Asia. It’s also the first hospital in Asia to receive accreditation from the U.S.-based Joint Commission International (JCI), the health-care industry’s gold standard. Physicians here treated 420,000 foreign patients from 190 different nations in 2007—more than any hospital in the world. The hospital has 900 physicians (at least 200 of whom are U.S.-board certified), 19 operating theaters, 554 inpatient beds, 800 nurses, two recovery hotels, and a heliport.

For all that, the building looks more like a five-star hotel than a hospital. Near the four-story gleaming chrome pillars at the entrance, uniformed security guards direct Mercedes drivers. This could be in the business district of Hong Kong or Singapore. Inside, a grand atrium with a fancy sushi restaurant, a high-end Italian restaurant, an Au Bon Pain bakery, and yes, a McDon-



Mark Newcomb, pictured in his hospital bed in India, estimates that going overseas for surgery is saving him more than \$30,000.

ald’s and a Starbucks—all to put an American or European at ease.

My first stop is the room of Scott MacDonald, whose left leg is hanging in the air, caged in a metal scaffoldlike contraption known technically as an external fixator. Various rods disappear into his knee. He’s talking on his cellphone, reading the newspaper, and watching BBC when I arrive.

MacDonald, 39, a TV photojournalist from Fraser, Colorado, spent 2006 motorcycling 14,000 kilometers through Thailand. He returned in 2007 to tour southern Thailand by motorcycle, but had a horrendous accident. MacDonald, with his Thai girlfriend on the seat behind him, was cruising at about 40 mph down a road on the island of Koh Phangan. They had just come back from scuba diving—both were in T-shirts and shorts, no helmets—when a motorcycle with a large, homemade sidecar pulled out in front of them. The two vehicles collided.

“The details are kind of unclear,” says MacDonald. “I went flying off the bike.

When I came to a stop I had a softball-size hole in my left leg. It was pretty horrific. I was calling out for my girlfriend. She had road rash, but no severe wounds.”

MacDonald was transferred by speedboat to Thai International Hospital first, but he elected to be treated at Bumrungrad. His leg was badly mangled, and infected with soil bacteria; amputation was a possibility.

An infectious-disease specialist checked on him daily. “A trauma surgeon personally cleans and dresses my wounds. Not the nurse—the trauma surgeon,” says MacDonald. “I have four or five doctors on my team. And nurses—RNs—are in here all the time. And I have my choice of Western, Oriental, vegetarian, or halal meals.”

MacDonald had been in the hospital for a month and expected to be released in another month. His total bill will be the equivalent of \$40,000. “I figure I’m getting better care than I would in the United States at an eighth of the cost,” he says.

How can quality care cost so little? At least three factors play a role: hospital labor costs, administrative costs, and malpractice-insurance costs.

According to the U.S. Census Bureau, labor costs amounted to almost 50 percent of hospital revenue in the United States in 2006. “At Bumrungrad,” says Kenneth Mays, the hospital’s senior director of marketing and business development, “that number is 17 percent. The cost of living here is just so much less.”

Thailand, like India—the other major destination of medical tourists—is a developing nation. The average per-capita annual income in Thailand is only \$3,400; in India it’s just \$950. Well paid doctors and nurses, some with U.S. training and

## The best care, over there

Book your next big operation in a facility outside the United States and you may save thousands. “Pick a hospital that’s striving for external validation,” says Karen Timmons, president and CEO of Joint Commission International, a nonprofit group that has accredited 182 foreign hospitals. (The complete list is at [www.jointcommissioninternational.org](http://www.jointcommissioninternational.org).) Along with Bangkok’s Bumrungrad, here are our experts’ top picks.



### BANGKOK HOSPITAL MEDICAL CENTER (BMC) Bangkok, Thailand

BMC has 22 specialized centers, with surgeons performing such cutting-edge procedures as laser prostate treatment and gamma-knife surgery. “Thai massage is routine here,” says Paul Gahlinger, M.D., Ph.D., author of *The Medical Tourism Travel Guide*. “It’s the kind of place you want to recover in.”



### APOLLO HOSPITALS Chennai, India

Since the first Apollo Hospital opened in 1983, surgeons have performed 55,000 cardiac operations. The heart-bypass success rate is 99.6 percent. The hospitals have partnered with the Mayo Clinic and Johns Hopkins to share expertise. The cost of a coronary-bypass surgery here is \$6,000, versus \$96,400 in the United States.



### WOCKHARDT HOSPITALS Bangalore and Mumbai, India

Doctors at Wockhardt have performed more than 46,500 cardiac surgeries at a 98.6 percent success rate since the hospitals opened in 1990. Wockhardt also offers “treat at a distance” programs, connecting your Indian physician with your U.S. physician, minimizing gaps in post-op care.



### CHRISTUS MUGUERZA Monterrey, Mexico

Texas-based Christus Health expanded south to reach more Mexican patients. A coronary bypass there costs \$33,140, or about a third of the U.S. cost. “They’ve had to work hard to build their reputation,” says Steven Tucker, M.D., president of the International Medical Travel Association. “But they have done it.” —P.K.

From top: Courtesy of Carina Ostberg; courtesy of Heathrose (4)

degrees, earn a fraction of what their U.S. counterparts earn.

Bumrungrad, like most hospitals that specialize in medical tourism, is essentially a cash-only hospital. You walk in, pull out your credit card, and pay; insurance accounts for less than 15 percent of payments. That means this is not an option for the poor, whether they're American or Thai. People who travel abroad may not have health insurance, but they still have



**"A trauma surgeon personally cleans and dresses my wounds. Not a nurse."**

enough money to buy the plane ticket and eventually pay for their care. (Which means most come from the middle class; medical tourism will likely be an out-of-reach option or answer for the 37 million Americans living in poverty.)

Without the miles of insurance forms to fill out in triplicate, there is no paper factory to occupy thousands of employees. According to a *New England Journal of Medicine* report, 31 percent of hospital costs in the United States goes to simply paying for the gargantuan administrative paper shuffle.

Finally, hospitals and doctors outside the United States pay very little in malpractice-insurance premiums because, unlike the uniquely litigious United States, many countries solve disputes through direct negotiation, and their courts are much less generous in tort cases.

This is also the most serious downside to medical tourism—you have no legal recourse if something goes wrong. Say you go to Thailand, have surgery, fly back home, and then develop complications. At Bumrungrad, if the doctors determine they have made a mistake, the patient is flown back at the hospital's expense and any necessary additional treatments are performed—also at the hospital's expense.

Bumrungrad can afford that because its complication rates are low. Of the 15,306 surgeries performed at Bumrungrad in 2007, the

overall infection rate was 0.29 percent. (U.S. hospitals accounted for an estimated 1.7 million infected patients and 99,000 deaths in 2002, according to a recent report from the Centers for Disease Control and Prevention.)

**THESE STATISTICS DON'T MEAN, OF COURSE,** that nothing ever goes wrong at Bumrungrad or at other foreign facilities that may be less accommodating with patient complaints. Surgery is an evolving science, doctors are human, and mistakes happen.

"Our major concerns have to do with the quality of care and the continuity of follow-up care," says Robert Zirkelbach, a spokesman for America's Health Insurance Plans (AHIP), a trade organization for health-insurance companies in the United States. AHIP, which is based in Washington, DC, represents almost 1,300 health-insurance providers—including giants like United, WellPoint, Aetna, Cigna, Humana, Kaiser Permanente, and Blue Cross—that provide coverage to more than 200 million Americans.

"Many health-care plans are experimenting with medical tourism at the employer level," says Zirkelbach, "trying to find ways to lower costs of and improve access to quality health care. It's early in the process."

One provider that has an overseas product is Blue Cross Blue Shield (BCBS) of South Carolina. "We're testing the waters," says David Boucher, the president and chief operating officer of Companion Global Healthcare, a company founded and owned by BCBS of South Carolina. Because BCBS is prohibited from contracting with out-of-state hospitals—let alone facilities out of the country—Columbia-based Companion Global Healthcare is a separate entity that has entered into relationships not only with Bumrungrad, but with JCI-accredited hospitals in Ireland, Costa Rica, Singapore, and Turkey.

For employers who use the option, the savings are significant. "The costs are 72 percent to 86 percent less on average at facilities in our international network than in U.S. facilities," says Boucher.

**F**OR NOW, IT'S THE UNINSURED AND underinsured who are taking the risks and reaping the rewards of going abroad for care.

While researching this story, I received a call from a civilian contractor in his 30s who is working in the volatile Anbar province in Iraq, training military personnel to stay physically and mentally fit. A weight lifter, he tore his rotator cuff, and

## Before they cut, run

Avoid these 3 medical-tourism scams

### 1. SHADY ORGAN TRANSPLANTS

In January, police raided an illicit kidney racket in Gurgaon, India, involving doctors who had reportedly removed 400 to 500 of the organs from poor people.

**Dodge it:** Don't believe hospitals that boast of quickly available organs. "The hospital should publish its procedure for organ procurement," says Sharon Kleefeld, Ph.D., the health-care quality director at Partners Harvard Medical International, who has worked with hospitals in 14 countries. "If it doesn't, there's your red flag."

### 2. SUSPICIOUSLY LOW ESTIMATES

"Hidden fees could add \$1,000 to \$3,000 to your bill," says Josef Woodman, the author of *Patients Beyond Borders*.

**Dodge it:** Secure price quotes for the procedure as well as fees for consultations, anesthesia, lab work, physical therapy, prescriptions, and room fees.

### 3. CROOKED MEDICAL-TRAVEL AGENTS

Con artists have latched onto the medical-tourism boom, setting up agencies to book treatment. "They'll steer you to a sub-standard hospital that pays them a commission," says Paul Gahlinger, M.D., Ph.D., author of *The Medical Tourism Travel Guide*.

**Dodge it:** "Letting your agent dictate the doctor is like asking a taxi driver where you should eat dinner," says Steven Tucker, M.D., of the International Medical Travel Association. Find a good hospital, then ask for travel recommendations. —P.K.

after considerable research, he chose to have it repaired at Bumrungrad rather than fly home to the United States.

"The U.S. cost was estimated at \$30,000," he told me by phone from his base. "At Bumrungrad it was \$7,500. My insurance company jumped for joy and paid 100 percent."

The civilian, who asked to remain anonymous, underwent the procedure in 2007 and has "absolutely nothing but good things to say" about his experience.

As for Mark Newcomb, who has now spent two summers guiding in the Tetons with his rebuilt hip, the resurfacing surgery he put on his credit card is completely paid for. He's once again fit and fast, and he worries a little less about health care nowadays.

"The United States isn't the only answer. This is the age of global medicine. We all have a world of options." ■