



# Master thesis 'Medical tourism development in Cebu City; *Effects on local development and the local population*'

It's more fun in the **Philippines**



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## **FOREWORD**

Before you lies the result of a 6 month during research, including a 3,5 month field research conducted on the tropical island of Cebu, located in the Central Visayas region in the Philippines. This thesis concludes the final course of the Master International Development Studies at Utrecht University with a focus on medical tourism development in Cebu. During the months February, March, April and May the field-work was conducted amongst the different stakeholders in medical tourism development on the island of Cebu. As the host-organization the University of San Carlos has fulfilled its role.

I am truly grateful for the opportunity to conduct research in the Philippines and I desire that the concluding findings as presented in this Master thesis will be of help to the Cebuano population.

## **ABSTRACT**

Healthcare for sale in Cebu, the Philippines. Each year overseas tourists travel to the Philippines to avail of local healthcare services ranging from liposuction, cosmetic surgery, dental work or luxurious spa experiences, but also to receive ‘cheap’ kidney transplants. How can we justify this medical globalization? While local Filipino’s still die from Tuberculosis and other easy treatable diseases? Can we ethically expect medical professionals investing their time and expertise in those ‘unnecessary’ procedures for foreigners while their own people need them the most? And on the other hand, how can medical tourism development be managed in order to benefit the local population and local development? Where do the thousands of dollars that are paid per patient go and who is really profiting? Other successfully developed medical destinations show us the far reaching possibilities and the economic revenues it could bring, eventually developing whole regions or even a whole country. Many professionals and scientists have far ranging opinions about this; from criticizing the possible decrease in local healthcare quality and accessibility to the possible economic effects it can bring for Cebu. This thesis aims at reaching an answer towards the question: *‘What are the effects on local development from the development of medical tourism in Cebu and how can the local population benefit from the development of medical tourism in a sustainable way?’*

## **ACKNOWLEDGEMENTS**

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## **LIST OF ABBREVIATIONS**

ARM	Autonomous Region in Mindanao
BOP	Bottom Of the Pyramid
CAR	Cordillera Administrative Region
CBI	Centrum ter Bevordering van de Import uit ontwikkelingslanden
CDUH	Cebu Doctor's University Hospital
CHH	Chong Hua Hospital
CHWC	Cebu Health and Wellness Council
DOH	Department of Health
DOT	Department of Tourism
DTI	Department of Trade and Industry
FDI	Foreign Direct Investment
GIZ	Gesellschaft fur Internationale Zusammenarbeit
GDP	Gross Domestic Product
JCI	Joint Commission Accreditation
MDG	Millennium Development Goals
MTC	Medical Tourism Company
NGO	Non-Governmental Organization
PSH	Perpetual Succour Hospital
UK	United Kingdom
US	United States
WHO	World Health Organization



## INTRODUCTION

The Philippines is a lower-middle income country, situated in South East Asia. Being the number one nurse migrant sending country in the world, the Philippine healthcare system has been heavily internationalized over the years. Especially since the 1970's when medical tourism has started to be promoted in the country. Medical tourism is a term that has been explained by many sources. According to the Global Spa Summit (2011), medical tourism is: *'A term involving people who travel to a different place to receive treatment for a disease, ailment, or condition, and who are seeking lower cost of care, higher quality of care, better access to care, or different care than they could receive at home* (as cited by Novasans, 2011). Heung et al. (2010) defines medical tourism as *'a medical service with a leisure component'*. In this thesis a medical tourism is considered as such when staying overnight and making use of local health- and medical services.

The Philippines is amongst the main attracting countries of medical tourists worldwide. It is also one of the four countries offering most organ transplants in the world. The Philippines is well-known for its passionate and well educated medical personal. Many Americans, Middle Eastern and even Europeans have been in contact with Filipino overseas care-takers. This is one of the unique selling points of the Filipino health-care system; the first hand experiences that promote the medical standards overseas. In 1980, already 17.000 foreigners were living in the Philippines and at the same time using the local healthcare. Experiencing that those foreigners were instigating extra revenues by using the local healthcare services, president Arroyo aimed at reaching 200.000 foreign patients by 2016 during her presidency (Voltano, 2004).

The previous years, remarkably since 2006, Cebu, the commercial and geographical heart of the Philippines, actively started to promote medical tourism. The government established laws and regulations and has set up public-private partnerships in order to boom this market. The Cebu Health and Wellness Council was set up in 2008, forming a coalition between both government agencies, hotels, hospitals and other private businesses. Starting to aim at the European market as their main target, the council is mainly targeting on light cosmetic and dental patients and those seeking luxurious wellness and body and mind experiences. Adapting their strategy in 2012 towards the Balikbayans also, their main focus is now on both Europeans and foreign Filipino's living abroad, returning to avail of the much cheaper and

familiar health related services in their home country. Many researchers have strong opinions about the effects from medical tourism on the local population. Ranging from illegal organ-trafficking, brain drains from medical professionals, a shift in prioritization from the government from local to foreign to spectacular forecasts in economic revenues and employment boosts caused by medical tourists; medical tourism is a controversial subject to many people. This research therefore aims to find the answers towards the question *'What are the effects on local development from the development of medical tourism in Cebu and how can the local population benefit from the development of medical tourism in a sustainable way?.'*

# **Chapter 1      Theoretical framework**

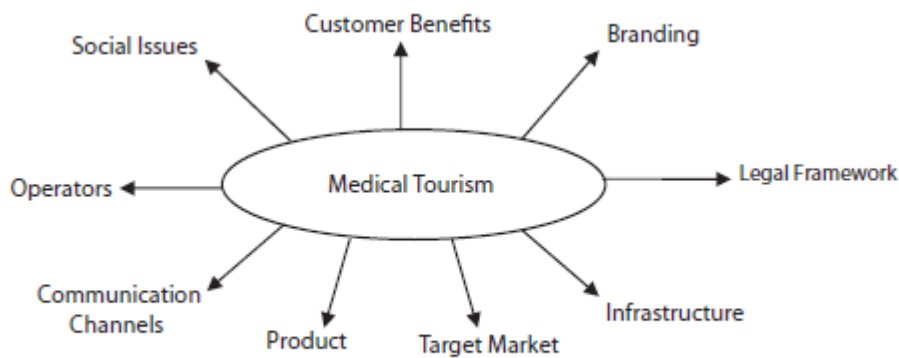
## **1.1 CONCEPTS**

This chapter will focus on the existing theories and concepts that are used in this particular research. Medical tourism is a relatively new field of international tourism. It has been emerging since the 1970's, but not much literature has yet been written about it. Therefore, this chapter will focus on clarifying how medical tourism is viewed in this thesis and on elaborating on some simple, existing models that can help mapping and understanding a local medical tourism market.

Heung et al. (2010) describes several existing theoretical models linked to medical tourism. He believes that when the medical tourism industry grows rapidly in a particular destination, the physical and socio-psychological well-being of the local population may be placed at risk (Heung et al., 2010). However, when managed properly and with cooperation between the government and the private sector, Heung believes that medical tourism can benefit a local destination.

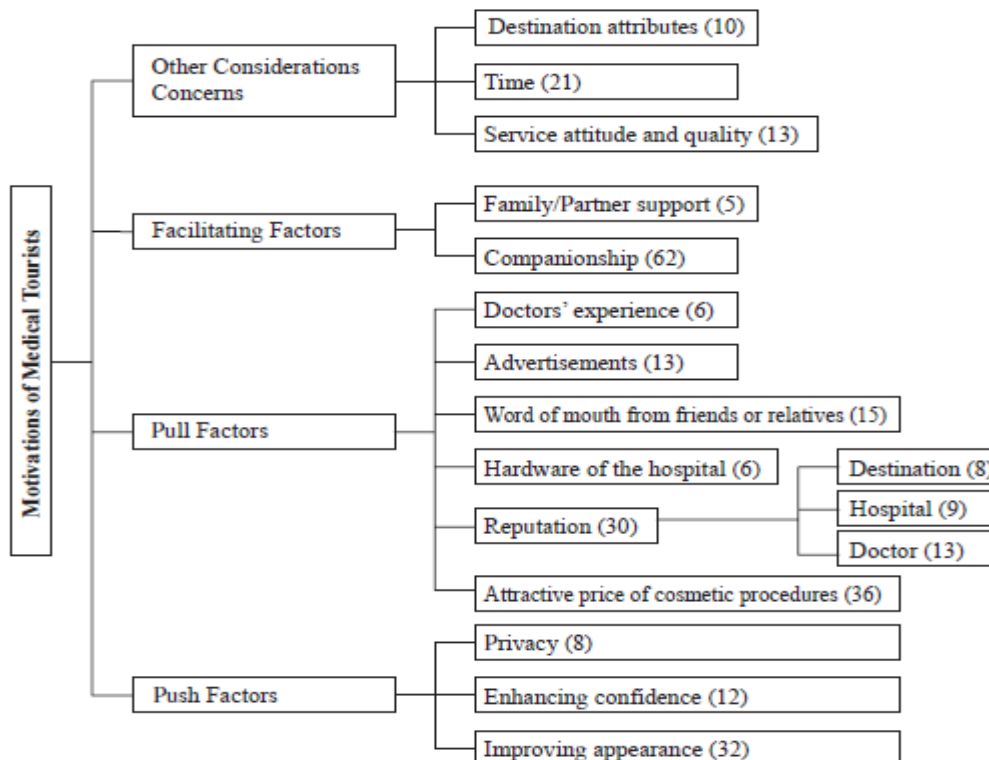
To be able to understand a local medical tourism market and its stakeholders, Caballero-Danell and Mugomba (2007) developed a model that can best be described as a map that structures the medical tourism industry, based on all available information provided by media, newspapers, magazines and papers. This model includes stakeholders involved in the medical tourism market and is a describing model, that can be used to map a certain medical tourism market in the world, including consumer benefits, branding, the legal framework, infrastructure, target market, communication channels and social issues of the industry (as cited in Heung et al., 2010). This model will be used as a starting point to map out the existing medical tourism market in Cebu.

Figure 1: Map medical tourism and its stakeholders (Caballero-Danell & Mugomba, 2007).



When the basis of the local tourism market is mapped out, using the above model, the next step would be to look into the motivations of medical tourists to choose the Philippines and Cebu in particular to make use of medical tourism services. A model that helps describing tourist motivations is the model of Ye et al. (as cited in Heung et al., 2010). This model is displayed in figure 2. The model considers push and pulls factors, facilitating factors and other considerations and concerns in choosing medical care abroad. This model could be useful in researching the medical tourist’s motivation for Cebu and could help to develop a (structured) interview to grasp more insight into the medical tourist’s motivations.

Figure 2; Motivations of medical tourists (Ye et al., 2008).



With medical tourism being a relatively new market, advanced concepts and models that are applicable to this particular study are absent, therefore the above two models will be guidelines to start up the research in Cebu, by mapping out the existing medical tourism market and the main tourist motivations to choose this particular destination. The next paragraph will elaborate further into existing and useful theories on this subject.

## **1.2 THEORIES**

Theories related to medical tourism have been written both from a negative and positive point of view. Opinions differ broadly, therefore this paragraph will give a holistic view on both theorists that are pro and con medical tourism development. The field research results can be linked and tested towards these existing theories, to be able to make more reliable assumptions.

One of the theories that can be useful to take into account is Cohen's (2011) view on the responsibilities that accompany the development of medical tourism. This theory applies to the very first stage of developing a medical tourism market. It goes into the responsibilities of the local stakeholders towards the people involved.

Cohen (2011) argues that with the development of medical tourism in developing countries, international justice needs to be taken into account. She formulates four types of theories that relate to medical tourism and the negative spin-off effects this has on the local population. She identifies 'Self-interest', 'Utilitarian approach', 'Statist theories' and 'Intermediate theories'. These theories have different opinions on where the responsibility of managing the negative effects of medical tourism can be identified. Two theories might be interesting to consider in this research; the cosmopolitan theories and the statist theories. Both theories are opponents in their beliefs and could function as a guideline in analysing government and private business behaviour within the medical tourism market.

### **1.2.1 COSMOPOLITAN THEORIES**

*'Cosmopolitan theories share a commitment to ignoring geographical boundaries in the application of moral theory'* (Cohen, 2011). The utilitarian and capabilities/ functioning approaches of Sen and Nussbaum do belong to the cosmopolitan theories. These approaches are focussed towards maximizing social welfare, with an emphasis towards the poorest

bottom of society. Cosmopolitan theorists, according to Cohen (2011), would not be in favour of developing medical tourism while not addressing the negative spin-off effects such as a quality decrease in public healthcare.

### **1.2.2 STATIST THEORIES**

Statist theorists conclude that the obligation to distribute justice and equality only applies within the boundaries of a nation state and thus not to citizens of another nation (Cohen, 2011). Nagels and Rawls are two well-known statist-theorists, who argue that not even the World Trade Organization, increasing international trade and globalization, can change this statist belief in the boundaries of the nation state.

It can be interesting to research those theories while in the field to be able to determine to what degree the Philippine government takes a cosmopolitan or a statist position while dealing with medical tourists. Many other theorists have something to say about medical tourism. Snyder et al., (2011), places the responsibility outside of the government, in hands of the medical travellers. According to him, travellers have the responsibility to harm no others and have to meet the health needs of those under one's guardianship.

Connell (2005) stresses the downside of the development of medical tourism in Asian countries. He focused his research on early developed medical destinations India and Thailand. He argues that developing high-end medical facilities for foreigners weakens the stability, quality and accessibility of the local health care system for the local population and widens the gap between rich and poor. But as Turner (2008) stresses, in some countries, well-coordinated government programs and public-private initiatives are implemented to increase market share from international medical tourists. This market share is targeted at, amongst others, travel agencies, public hospitals and hotels chains. Turner (2008) stresses the importance of excluding all organ transplanting activities from the development of medical tourism in all developing countries, in order to protect vulnerable and poor groups.

Johnston et al. (2010) concludes to different effects of medical tourism in developing countries; first he argues medical tourism can be seen as a user of public resources, including consuming large amounts of public resources such as health care. Secondly, he stresses the possibilities of medical tourism to offer solutions to local problems, like infrastructure deficits for the local population, raising revenues for the developing country and it can set a certain standard in health care quality, which results in a Western-oriented standard of care.

However, it can also result in an internal brain drain of trained medical workers from the public to private sector and from rural to urban areas.

As becomes clear, different points of views provide different perspectives on the effects from medical tourism on a local destination and its population. Above standing theories will be taken into account while conducting field research in Cebu and will be used to explain certain decisions or effects in relation to medical tourism.

The next paragraph will go into theories related to social and economic sustainable development.

### **1.3 SOCIAL & ECONOMIC SUSTAINABLE DEVELOPMENT**

The overarching development theory used in this research is sustainable development. In order to review whether medical tourism development can really benefit the local population, sustainability should be taken into account. In this case, especially social sustainability is important, since the social effects of medical tourism development are often overlooked while focussing on the economic successes. According to Dollar and Kraay (2000), *'If the economy grows, eventually all will benefit'* (as cited in Hopwood et al., 2005). Also known as the trickle-down effect. However social matters, concerning an illegal organ trafficking market, widening gaps between accessibility of good quality health-care and a priority shift from local to foreign patients are social concerns that block the way for social sustainable growth.

At an international level, sustainability is often approached through a three-pillar model; focusing on the equal development of ecological, economic and social dimensions. The proposed indication behind this is the knowledge that future generations can't exist without cultural and social values. The second argument is that those three concepts are separate, but highly interconnected, which have to be balanced and stable in order to guarantee the existence of civilisation for future generations. However, often this three-pillar model overlooks the social dimension, focussing too much on the ecological and economic counterparts (Littig & Griebler, 2005).

This research will focus on the socio-economic effects that derive from medical tourism development in Cebu. However, strong theoretical concepts are still missing in current literature on social sustainable development. Difficulties in conceptualization of social sustainability can come from the fact that people may prioritize the normative, analytical and political aspects of 'social' in different ways (Littig & Griebler, 2005). The belief of what

forms a decent life depends on a case-to case basis also. The primarily needs are believed to consist out of food, shelter, clothes, access to health care and safe drinking water (Littig & Griebler, 2005). Of course, in order to live a 'quality-life' additional needs, such as education, leisure time, relationships, self-fulfilment and satisfaction have to be taken into account. According to Littig & Griebler (2005), work is a very central requisite for sustainability, since it will bring satisfaction and self-fulfilment. Therefore it is viewed as one of the most important pillars within social sustainability, there also is a structural principle within almost all global societies and therefore of utmost importance in creating a sustainable future within societies.

According to Senhaas-Knobloch (1998); *'Work is not only a means to ensure people's livelihood, but also the primary means to stratify and structure society and organise individual lives'* (As cited in Littig & Giebler, 2005).

Littig & Giebler (2005) propose the following definition of social sustainability: *'Social sustainability is a quality of societies. It signifies the nature-society relationships, mediated by work, as well as relationships within the society. Social sustainability is given, if work within a society and the related institutional arrangements; satisfy an extended set of human needs, are shaped in a way that nature and its reproductive capabilities are preserved over a long period of time and the normative claims of social justice, human dignity and participation are fulfilled'*.

Ultimately Littig & Giebler (2005) propose a three-fold of indicators that deal with social sustainability measurement. The first indicator is related to individual income, income distribution, unemployment, poverty, education, housing, health, security and the satisfaction about all those factors. The second indicator relates to social justice in terms of the distribution of income and economic goods, equal opportunities and participation in society. The last indicator focusses on social coherences within society and groups.

Based on those theories, the main focus in this research will be towards the socio-economic sustainability in terms of employment opportunities, the economic distributions this brings along and the social opportunities and coherence medical tourism can bring to the society of Cebu. Those indicators will be taken into account while conducting field research in order to gain information about those socio-economic effects for the local population.



The following and concluding part of this chapter will go into dept. about medical tourism itself in the general sense. The following chapter, regional thematic framework will go more into dept. about medical tourism in the Philippines and Cebu.

## 2 REGIONAL THEMATIC FRAMEWORK

### 2.1 THE PHILIPPINES

Located in South East Asia, The Philippines is home to over 94 million inhabitants. The archipelago is indicated as a lower middle income country, with a Gross National Income of \$2210, - in 2011, which is under regional average (World Bank, 2011). The Philippines has not been a typical East Asian country in terms of economic development. The Philippines has fallen behind in economic growth compared to its neighbouring countries such as Thailand and Indonesia. According to Almonte (1994), this has been caused through the formation of different social groups within society which caused economic stagnation. According to Almonte (1994) the Philippine system is more Latin American than East Asian in land, wealth and political power distribution, with the richest 15% of all families accounting for 52, 5% of all income in the country. However, where the Philippines fell behind its counterparts in the past, recent studies by the World Bank (2012) show significant improvement in economic performances with growth rates of 7.1% in the first half of 2012. The World Bank (2012), states: *'Higher economic growth was driven by the strong performance of the construction sector, buoyed by robust private consumption and the recovery of government spending'*. Main progress is being made in the service and telecom sector. Besides that, medical tourism development has been identified as one of seven growing markets in the country.

Figure 3; The Philippines



According to Joel Mari Yu, managing director of Cebu Investments and Promotions Center, (News Inquirer, 2013) Cebu must start looking for more FDI to generate more employment opportunities. According to the News Inquirer (2013), only 20, 5% of total investments in Cebu came from foreign investors last year. Joel Mari Yu (2013) believes that foreign investment

will bring more employment opportunities than the general local investments. In 2011, 34 large tourism projects were launched within the Philippines, worth US\$ 667 million. Most investments were done in the accommodation sector, accounting for 90%, followed by medical tourism facilities, good for 4% of total investments and eco-tourism, also good for 4% of investments. According to the DOT (2011), those projects will generate over 8000 new jobs within Cebu in the coming years. Currently, as of January 2013, around 7% of the population in Cebu is unemployed, which is in line with the national unemployment rate of 7, 1% (National Statistics Office, 2013).

Despite the relatively low unemployment rate compared to earlier years, with a Human Poverty Index of 12.4 ( in 2009), which is double to that of Indonesia, basic education, access to public and private resources and living a long life have improved. However, with doctors earning an average of only around €300- €600, - a month, a life expectancy of only 68 (UNDP, 2012) and 26,5% of the total population living under the national poverty line, lots of progress is still to be made (World Bank, 2011).

## **2.2 POLITICAL SYSTEM & ECONOMIC POLICIES IN THE PHILIPPINES**

The Philippines implemented, like many other East Asian countries, import substitution implementations between 1950 and the 1970's. As a result of those policies, FDI into the country diminished during those years. Only after the 1990's, when ISI policies were abandoned, FDI inflows rose again after the country opening up to foreign investments (Damooei & Akbar, 2006). Prior to the ISI implementations and the opening up to FDI in the 1990's, the Philippines has had a turbulent history of politics in districts, provinces and towns. After falling behind on the other Asian tigers in the 1980's the Philippine state became a 'soft authoritarian' regime, according to Almonte (1994). After Marcos tried to follow after the Korean model, based on privileges, Ramos tried to organize an effective government. However, the Philippine elite is still one of the most powerful in South East Asia. Where Indonesia and Vietnam lost their elite powers during the liberalization wars, Japan and Korea during the American occupation and China by the communist powers, the Philippines still flourishes on wealthy elite families. The Philippine Daily Inquirer reports on March 4, 2013 that 40 families in the Philippines still own 76% of the total economy. Economists say, despite presidents Aquino's efforts, little progress has been made. Some of those elite families have been dominating the political economy since the 1800's. The most well-known example

is that during, and after the Marcos era, many politicians got re-elected and are known to profit not only from politics, but also through landownership, commercial networks and transportation companies (Gutierrez 1994 as cited in Sidel, 1997).

## **ECONOMIC PERFORMANCE**

Currently, the slowdown of other South East Asian countries, especially China, has provided the opportunity for the Philippines to catch up. Especially remittances from overseas 'Balikbayans' and the outsourced call-centre workers have provided steady economic growth. *"About 70% of our economy is from consumption, so remittance is the key fuel behind that," said Haj Narvaez, Manila-based head of research for the Philippines at Credit-Suisse (CNN, 2012).*

The World Bank Estimates that the Philippines will be one of the stable growing economies in South East Asia the coming years, with an annual growth ratio of around 6 per cent. This is mainly due to recently implemented anti-corruption campaigns, tax policies, public financial management and a recently implemented tobacco and alcohol tax that will generate around 0,4 per cent of GDP that will be invested into the universal health care program targeting the BOP market in the country (World Bank, 2012). Healthcare is another sector where the Philippines distinguishes itself from other South East Asian countries. The country is well known for its medical internationalisation and nurse sending status. The next paragraph will elaborate on that.

## **2.3 PHILIPPINE MEDICAL INTERNATIONALISATION**

According to a research on the consequences for nurse sending countries by Lorenzo et al., (2007), it appears that the Philippines is the largest nurse-sending country in the entire world. The largest receivers of Philippine nurses are originally the US and Saudi Arabia, but in recent years Europe has become a popular receiving destination also. The exact number of Philippine nurses working overseas is hard to determine, due to a lack of information about nurses that are recruited by private companies and therefore not reported by the Philippines Overseas Employment Agency. Nevertheless, the numbers are reported to be the highest worldwide, due to high unemployment rates in the country and the high supply of medical personal, graduating each year. However, unemployment rates have improved over the last years. In 2003 unemployment rated 12, 8%, in 2011 this decreased to 7%. Pilipino labour

migration was initially intended to be temporarily by the government to solve the unemployment problems, however the Philippines is one of those sending countries, where the government still takes a pro-active approach in sending medical staff abroad. According to the WHO (2003), this is mainly a consequence from the over-supply of labour and the encouragement of remittance inflows. Migration will continue to exist, as long as there is a developmental imbalance between countries (Stalker, 2003, as cited by WHO, 2003). However, the outsourcing of young professionals has an enormous impact on sending countries; the brain drain of young medical personal is seen as one of the main problems caused by nurse-migration. According to Stalker (2000), it can severely restrict economic development on the longer term (As cited in WHO, 2003). It was estimated by the WHO that in 2003, over 150.000 Filipino nurses were working overseas, which is some 85% of total Filipino nurses. It is estimated that 20.000 nurses registered graduate annually in the Philippines (Fely et al., 2007).

Especially since 2000, nurse migration has become more popular, since nursing became both popular in demand and supply. In school year 2007/2008 over 630.000 nurses were enrolled in nursing school all over the country. This leaves us with the estimation of more than 150.000 students graduating as nurses every year in the following years to come (Carlos & Chizuko, 2008). This migration movement has marked the almost non reversible internationalisation of the Philippine health care system.

## **2.4 HEALTH CARE SYSTEM**

With more than two thousand hospitals and numerous smaller health-clinics, the Philippines has a lot to offer in the medical field. The Philippines has a dual healthcare system, consisting of a public and private health sector. The public sector is largely based on a tax- system, providing non-profit based health care, but charges are introduced for ad-hoc services. Long waiting times and overcrowds are very usual in public hospitals. Medicines have to be bought separately in some public hospitals, which often leaves those in poverty without them.

The private sector consists mainly out of for-profit services that are mostly charged before providing health care services. The Philippines healthcare system is known to be of high quality, comparable with those of the US and Europe. However, quality and stability of supplies and professional surgeons differ from hospitals to hospital. Some hospitals can only

perform specialty services (like open heart surgery) when more patients are lined up at the same time, leaving those in acute need of specialty help waiting.

There is an on-going debate about the consequences of the privatization of the healthcare system may have on the quality of overall health-care. In Cebu, over half of the hospitals are privately owned. A study on the relation between privatization and the quality of health care in the Philippines, found out that over 69% of all private doctors provided unnecessary and insufficient care to their patients in order to earn more revenues. This resulted in unnecessary medication use and extended hospitalizations. (James et al., 2011). According to Quimbo et al., (2011), private healthcare mostly competes with public healthcare on the basis is quality. Quimbo et al., (2011) conducted a research amongst public and private hospitals and households in the central Philippines and concluded that there is a strong correlation between quality increase in healthcare services between public and private hospitals. However, the research only showed an increase in quality in the private hospitals, at the time when public hospitals did increase in quality. Arguable because of loss of patients to the public hospitals. The other way around, there was no correlation between the quality in public hospitals getting positively influenced by private hospitals. Concluding, Quimbo et al., (2011), argue that healthcare motives and service provision amongst the private sector not always is focussed towards providing the best possible care, but can be influenced by the competitiveness and revenue triggers.

However, the World Bank and the World Trade Organization have been promoting the privatization of health care to attract foreign investment and knowledge (Whitehead et al., 2001). This has been established in Cebu already. With one of the leading and the only internationally accredited hospital, Chong Hua hospital is owned and managed by Chinese investors (personal interview Dr. Gerry Galon, March 18, 2013). Nevertheless, it has not been proven that the privatization of healthcare in Cebu has contributed to the quality and access improvement of public healthcare.

As has been mentioned before, the migration of medical staff is a flourishing market in the country. Because of the employment shortages, Filipino doctors are migrating as medical nurses. It was estimated that in 2004, at least 4000 doctors were working as nurses internationally. In 2005, the Philippines Hospital Association published the shocking numbers of 80% of graduated doctors working as nurses, both nationally and internationally. In 2005, it was estimated that US\$10.7 billion earned from remittances flew into the country from

overseas medical employment (Fely et al., 2007). This is the biggest reason for the Filipino government to keep promoting medical international careers amongst nurses and doctors.

Neglect the high numbers of graduates in the medical field, healthcare in the rural areas is considered below quality. According to the Washington Post (2008), in rural Leyte, 2 doctors are serving a population of 110,000 local inhabitants.

Senator Edgardo J. Angara (2009) states that most out-migrating resides amongst rural doctors. The difference between the National Capital Region and rural provinces as the Cordillera Administrative Region (CAR) and the Autonomous Region in Mindanao (ARM) is alarming. In 2002, it was estimated that around 658 doctors were working in the National Capital Region, compared to 85 in CAR and only 69 in ARM. Lack of medical staff is resulting in higher mortality rates. Where in the National Capital region, on average, 8 children die per 1000, in the Autonomous Region in Mindanao this is 40 children per 1000.

According to Chanda (2002), the main root in many health related issues in a developing country comes from a lack of focus and investment from the government. Therefore, she argues for more cooperation between the public and private sectors in developing countries. Linkages could be established through professional exchanges and training programs or through cross-subsidization where tax revenues from the private sector flow back into the public sector. However, as stressed by James et al., (2011) there are doubts about the effectiveness of the privatization of healthcare in the Philippines, since doctors are over-subscribing or over-medicating patients in order to earn more revenues in certain cases.

Recent developments in health care provision in the Philippines includes the 'Aquino Health Agenda', which provides three strategic goals to achieve a more universal healthcare in the country. The health agenda includes:

1. A rapid expansion of the National Health Insurance Program and generating national subsidies to benefit the poorest families in need of healthcare.
2. Improved access to quality hospitals through the improvement of quality in public healthcare facilities.
3. Accomplishment of the MDG's related to healthcare by providing resources to families who are unable to receive appropriate health services (PNHRS, 2011).

According to the Philippines National Health Research Service (2011), the main priority diseases in the country are Cardiovascular Diseases, Infectious Diseases (including TB, Dengue, and Influenza), Cancer, Diabetes and Neurodegenerative Diseases. As of 2002, the

leading causes of death in the Philippines from health related issues were diarrhoea, bronchitis, pneumonia, influenza, hypertension, tuberculosis, heart disease, malaria, chicken pox, and measles. Cardiovascular diseases accounted for over 25 per cent of all deceased. The total expenditure on healthcare in the Philippines is around 3% of GDP (Library of Congress, 2006). According to Phil Health, the national health insurance company of the Philippines, in 2011 a total of 78% of the population had access to health insurances, 39% of those received insurance through sponsored programs. This health insurance covers immediate health needs, such as need caused by accidents or immediate hospitalization. The basic insurance for Filipino's charges around US\$4 a month (Soriano, 2011).

Despite health care deficits, in mainly the public hospitals and rural areas, the Philippines has some very high standard hospitals, providing internationally approved health procedures for international patients. Part 2.5 will elaborate on these developments in medical tourism.

## **2.5 MEDICAL TOURISM IN THE PHILIPPINES**

This part will focus on medical tourism development worldwide, with a special focus on the Philippines and research area Cebu. Part 2.7 will go into dept. about the specific research area and its background features.

Tourism has been developing in the Philippines over the past years. Tourist arrivals grow steadily. Cebu remains the top destination in the country. In 2009, Cebu received 1.615.982 visitors, compared to 1.442.183 in manila. The main group of visitors remains the Koreans, followed by the Japanese and Chinese, Americans and Europeans (Philippine Department of Tourism, 2010). Since the 1970's medical tourism as a new niche market started growing in the Philippines, with the opening of several high end medical facilities in Manila. The development of medical tourism in the Philippines has been supported by both the business sector and the department of tourism and health (Hodges & Kimball, 2012). Medical tourism is seen as a branch of tourism, with both national and international visitors. It is one of the seven growing economic sectors in the country to bring foreign direct investments and create jobs (Healthcore, 2011).

Since 2006, president Arroyo has started to promote the country as a destination for medical tourism, together with the promotion as a retirement destination. It has already been a retirement destination since the 1980's, with over 17.000 foreigners living in the Philippines,

mainly from Japan and the United States. The president aimed to reach 200.000 foreign patients within a decade (Voltano, 2004).

The Philippine Department of Tourism Office Planning and Research identifies tourism as; *'The state declares tourism as an indispensable element of the national economy and an industry of national interest and importance, which must be harnessed as an engine of socio-economic growth and cultural affirmation to generate investment, foreign exchange and employment, and to continue to mold an enhanced sense of national pride for all Filipino's'* (as cited by DOT, 2009). This leads us to believe that medical tourism can be seen as an important market by the national government that can grow and benefit the whole economy and its population.

The Philippines distinguish itself as a medical destination by offering low prices for high-end medical procedures, both heavy surgical procedures such as organ transplants, heart surgery and total medical check up's. Outside of Manila, the main medical tourism services offered comply dental, small cosmetic surgeries and health & wellness services. Prices are around 40% to 80% lower than in countries such as the United States. According to Castillo & Conchada (2010), a kidney transplant in the Philippines costs around US\$ 25.000, - where in the US this would cost US\$ 150.000,-. Breast augmentation in the Philippines can be done for US\$2.000, - where this would start at US\$ 5.000, - in the US. Prices are cheaper in the Philippines than in Mexico or even Thailand, with the biggest disadvantages being the relatively high travel costs from North America and Europe.

The Philippines is home to several specialist health centres, such as The Philippines Heart Centre that was established in the 1970's as first specialist hospital in Asia. It is considered a pioneer in the region. The country offers medical care, surgical care, woman's health, dental care and optometric care. In total, the Philippines is home to over 1800 hospitals, from which 61, 7% is privately owned and 38, 3% owned by the government. Most of the largest facilities are located in Manila, which represents around 0, 25% of all hospitals, but 27% of total hospital beds in the country. The region covering most facilities is the Southern Tagalog region with over 13% of all medical facilities. However, mostly all private healthcare facilities that participate actively in medical tourism are located in Manila, with well accredited hospitals and collaborations with hospitals in developed countries. Besides the capital, the Central Visayas is home to the next highest level of private hospitals; a total of 9 in 2005 (clinics not included).



The hospitals that were chosen to participate in the Medical Tourism Program that was initiated in 2004 are all located in Metro Manila and include: East Avenue Medical Centre, Lung Centre, National Kidney Institute, Philippine Children's Medical Centre and Philippine Heart Centre. This can be explained by the excellent infrastructure and accessibility this city offers, together with a large supply in hospitals and restaurants. However, the Philippines as medical tourism destination attract mainly tourists seeking for dental care, cosmetic surgery and luxurious spa retreats, which can be mainly found in the Central Visayas with Cebu as main tourism destination. According to Porter et al., (2008), most hospitals involved in medical tourism have not tied up with travel agents to provide package deals to medical tourists and are therefore not taking the utmost advantage of this development.

According to News Medical (2013), the Philippines ranks 60<sup>th</sup> in the world's health systems of the WHO ranking. It's one of the few countries that are successful in sending qualified nurses and doctors to especially the US, promoting their quality standards in health care to the international public. This is seen as one of the biggest advantages for the Philippines in attracting medical tourists. A recent study done by Deloitte Consulting Group showed the results of a survey amongst American households. It was concluded that over 40% of the American citizens would seriously consider travelling abroad to receive medical treatment if it would be 50% cheaper than in their home country and of the same quality standards. In 2006, over 150.000 American citizens already travelled abroad to make use of medical services (Porter et al., 2008). Table 1 provides an overview of comparative prices in selected countries offering medical services to foreigners. It can be seen that the Philippines is the cheapest for almost all offered procedures, however, general travel costs to the country are amongst the highest.

Table 1; *Comparative medical costs for medical tourists in different countries.*

<b>Procedure</b>	<b>Thailand</b>	<b>Philippines</b>	<b>Singapore</b>	<b>Brazil</b>	<b>Mexico</b>	<b>USA</b>
Knee surgery	2,860	2,312	5,381	5,088	4,706	10,335
Rhinoplasty	Unknown	2,939	Unknown	3,266	3,930	5,050
Cataract extraction	1,022	864	2,375	1,832	1,827	3,595
Claucoma	140	331	1,274	Unknown	Unknown	3,882
Tympanoplasty	806	1,947	Unknown	Unknown	Unknown	4,993
Hysterectomy	3,071	2,475	6,781	5,198	6,106	5,783
Travel costs	<b>793</b>	<b>1,204</b>	<b>808</b>	<b>342</b>	<b>410</b>	<b>0</b>

(measured as round  
trip from the USA)

*Source: Mattoo and Rathindran, Does Health Insurance Impede Trade in Health Care Services? (July 2005) as cited in Porter et al., 2008.*

According to Porter et al., (2008), the relatively high travel costs are usually accepted, because of the high quality Americans expect of Philippine healthcare. This trust has been built over the years where 68% of Filipino medical staff has American working experience and Filipino's make the second largest group of medical graduates in the United States. However, medical tourists originate from all over the world with its top sender being East Asia (43.64%), North America (21.72%), and Europe (17, 6%) Overseas migrated Filipinos accounted for 6.22% of medical visitor arrivals in 2008 (Castillo & Conchada, 2010). However, exact numbers are hard to present, due to the confusion with regular tourist arrivals.

Worldwide it is estimated that between 50.000 and five million people have been distinguished as medical tourists. This rough number can be explained by the fact that a medical tourist is hard to define. Other reports show results around 60 to 85 thousand medical tourists in 2007, with the exclusion of some 'soft-medical' tourists such as wellness tourists and luxury-spa tourists. Most of those tourists (40%) could be defined as medical tourists, seeking health care in developed countries; mainly seekers from Middle Eastern countries and Latin America. Around 32% was looking for higher quality care than they could receive at their home country and the remaining 18% were those avoiding waiting lists and looking for lower costs (Voltano, 2004). The Philippines have been emerging as a medical tourism destination, as the main competitor in South East Asia for existing markets. It distinguishes itself by competing prices, even in comparison with other South East Asian and most Latin American countries, providing high-quality care-takers that speak advanced levels of English and have a well-established relationship with the United States, one of the main medical tourist sending countries. It is predicted that the Philippines could raise up to US\$3 million in revenues from this market by 2015, with some 700.000 (Castillo & Conchada, 2010) medical visits each year.

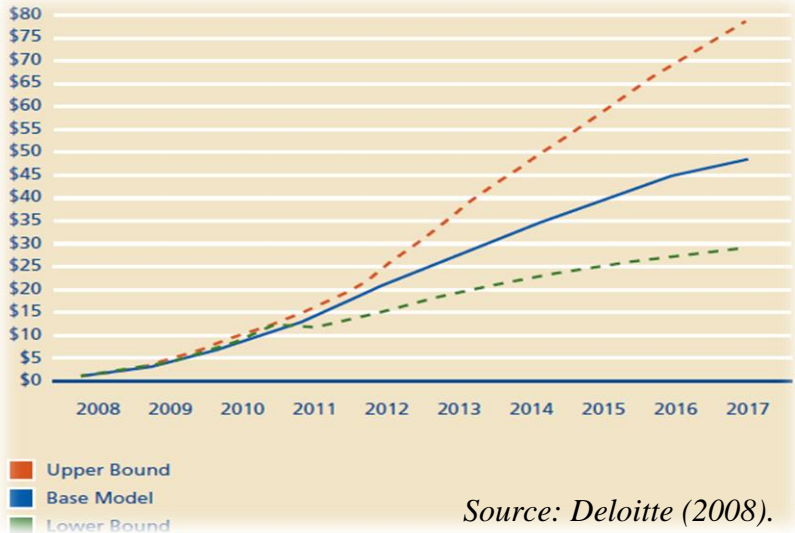
In 2006 it is estimated that US\$350 million in revenues was earned from medical tourism.

The Philippines aims at reaching US\$3 billion in revenues by 2015 from this sector, which is

equivalent to 700.000 medical tourists a year (Castillo & Conchada, 2010). This data is not strictly reliable because of different perceptions and definitions of medical tourism.

Nevertheless, it is estimated that for every peso that is spent by a medical tourist in the Philippines, 2.5 peso is generated in direct and indirect revenues. According to the study that was conducted by Deloitte amongst American citizens in 2008, it was concluded that in 2007 700.000 Americans travelled abroad to make use of medical services. It is estimated that this market will grow towards 23 million in 2017. Graph 1 Shows an overview of the expected spending of the American medical tourist up to 2017 in US\$ billions. In 2017, it is estimated that the American market alone will spend over US\$80 billion in foreign countries on health-related services. (Deloitte, 2008). The American citizen can thus be a very interesting target group for the Pilipino medical market.

Graph 1; Expected medical expenditure of the American medical tourist.



## 2.6 ACTORS IN MEDICAL TOURISM

The Filipino government has developed a public-private partnership to strengthen the medical tourism program in 2004, consisting out of a cooperation between several government departments, the EU Chamber of Commerce, the Hotel and Restaurant Association of the Philippines, the Philippine Medical Association and many others (Castillo & Conchada, 2010). The government aimed at increasing employment opportunities in healthcare and the tourism industry and implemented the aim of private hospitals offering a minimum of 10% of

their beds voluntarily to local people in need of healthcare and public hospitals offering a maximum of 10% of their beds to international patients.

Both the government (35%) and the private sector (65%) are involved in the development of medical tourism. Castillo & Conchada (2010) stress the advantage of the strong government involvement in the development of medical tourism in the Philippines. This also results in control on the medical market in several ways. Philippine medical staff is licenced by the Philippines Regulatory Commission, which evaluates the locations, staff and quality. There are also some hospitals that are accredited by the international ISO 9001 accreditation.

The government implemented the Medium Term Philippine Development Plan 2004-2010 to attract FDI from countries as Japan, Korea, Taiwan and Singapore and after the implementation of the Medical Tourism Program in 2004, the market has now developed from a regional service market to an international medical service market. (Hodges & Kimball, 2012).

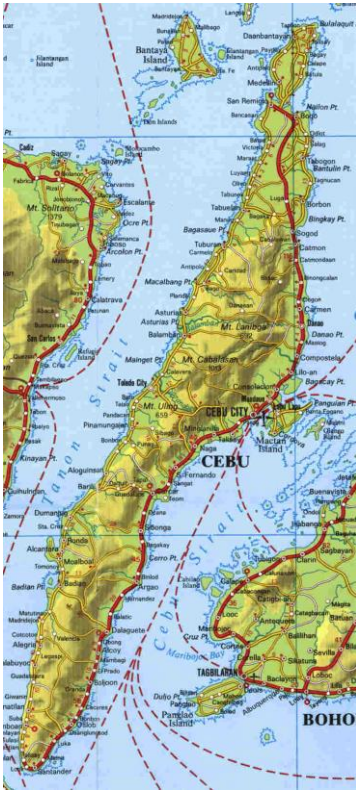
International actors are involved through the above mentioned international accreditation schemes. Private businesses like health clinics, spa's, hospitals, dental clinics and hotels and resorts involved in medical tourism can be owned by foreign investors or have an international partnership with a hospital or clinic in a developed country. Those private businesses influence local employment opportunities, creating jobs for the local population. Another link can be found with the public healthcare sector that gets influenced by the private businesses, either by losing doctors and physicians to private clinics or by stimulating quality standards. All stakeholders in the medical tourism market in the Philippines are highly connected.

## **2.7 MEDICAL TOURISM IN CEBU**

According to Healthcore (2011), Cebu is one of the biggest regions in the country to make rapid progress in developing medical tourism. Cebu offers mainly light medical and dental services to medical tourists and has an organized medical community. Before elaborating further on the medical tourism development in Cebu, a general overview of the island will be given, to better understand its economic and political advantages that form the basis for current economic developments.

## 2.7.1 RESEARCH AREA; CEBU

Figure 4; Map of Cebu



Where elite families in other parts of the country may have damaged and brutalized the local communities, Cebu is one of the Philippine islands that has flourished from influential local families. Located in the Central Visayas region, surrounded by neighbouring islands Negros Oriental, Negros Occidental, Bohol and Leyte, Cebu is located in the heart of the Central Visayas. With a dry, mountainous interior but the main regional port located on the island, it is the commercial heart of the country. Corn has been the local staple crop and the island is also known for its coconut groves, small sugar plantations, extensive mining, and the poultry and fishing industry. Since the 1900's, the local population has increased rapidly, from around 600 thousand inhabitants towards up to 3 million at present. With a land share of almost 15,000 square meters, the Central Visayas is the second smallest region in the country, but is heavily populated with over 5.7 million

inhabitants. The majority of the population still inhabits the rural interiors of the islands, nonetheless since the 1990's the urban population grew by 50 per cent (Helvoirt, 2009).

Already in the 1970's a steady flow of both foreign and domestic investment changed Cebu from an agricultural reliance, into a commercial centre, flourishing with tourism and manufacturing sectors. As in the rest of the country, local wealthy families dominate local politics and hold cartels on local companies and infrastructure routes (Sidel, 1997).

Surrounding islands Negros Oriental and Bohol are still largely based on agriculture and sugar plantations.

Cebu's wealth can be traced back to the Spanish time, where Cebu functioned as the base for Spanish Operation in the Philippines for over four years since the occupation in 1565. (Almonte, 1994). During the Spanish time, enormous religious buildings were built. The main development took place along the coastlines and not in the interior rural land, what explains the structure of Cebu today. In 1604, the Spanish occupation re-located from Cebu to Manila. However, new landownerships were implemented in Cebu under Spanish rule. At

the end of the 17<sup>th</sup> century only four entities owned 70 per cent of Cebu's total lands. This increased to over 90 per cent in 1836. By the second half of the 18<sup>th</sup> century, the Spanish acknowledged Cebu's economic importance. This was exhibited by the opening of the country's second port designed for world trade in 1860 in Cebu. By this time, Europeans, Chinese and Americans started inaugurating businesses in Cebu. This, together with the rapid urbanization of the island marked the beginning of the economic development of the island. Still, during this period infrastructure development took not yet place, relying heavily on water transportation. When power was transferred to the Americans by 1899, the approach towards the Philippines changed. President McKinley expressed his feeling towards the country: *The Philippines are ours, not to exploit, but to develop, to civilize, to train in the science of self-government. This is the path of duty which we must follow, or be recreant to be a mighty trust committed to us'* (Forbes-Lindsay, 1906 as cited by Kishiue et al., 2003.). This was the starting point of the construction of new roads and highways.



*Figure 5: Osmeña Boulevard in 1912.*

The Philippine Commission recorded that in 1904, over 32,000 miles of road was constructed in Cebu and an additional 94,000 miles was repaired. 14 bridges were constructed and in the following year an additional 36,000 miles of road was repaired. Figure 5 shows famous Osmeña Boulevard, leading to the capital building. Prominent boulevards and Fuentes Osmeña Circle were built during the American colonization in 1912.

However, in 1942 the Japanese occupied the Philippines, using the port as their navy station. The main reason for the Japanese occupation in Cebu was for the easy captivation of natural

resources. After America's attacks on the Japanese occupation it was estimated that over 50% of Cebu's infrastructure was destroyed.

After independence in 1946, the Philippines stayed dependent and bound to America by the Bell Trade Act. Within three years Cebu's infrastructure was rebuilt to its pre-war state. This period marked the beginning of the elite-powers with the election of Osmeña Jr. (Kishiue et al, 2003).

However, despite Cebu's turbulent and intense colonial past, as Wernstedt (1956) emphasized; '*Cebu has attained its premier trade position in the past through the interaction of several physical and cultural geographic factors*'. The relatively harsh agricultural environment on the island has pushed towards commercialization and trade rather than agriculture. It can be concluded, that Cebu's rapid development in comparison to surrounding islands can be seen as a combination of its colonial past, geographical situation and influential elite families.

Currently Cebu's political system is very decentralized. The city mayor holds most of the power, distributing it to the different city departments that distribute the powers to the different City Barangays, which are over 80 in Cebu city alone (Cebu City Government, 2012). This multi-layered political system can be traced back to the Marcos regime. During the 1970's, Marco's regime attempted to diminish the traditional political elites in Cebu that could be a threat to his regime. However, this simultaneously boosted the formation of new elite families. One of the most influential families in Cebu is the Osmeña's, still as of today.

Dominating for over 3 generations, holding close links to other public and private figures and institutions, it has been recognised as one of the leading factors in Cebu's rapid economic development (Helvoirt, 2009). This has formed the basis for the public-private partnership of the Cebu Health and Wellness Council that was formed in 2008 and who is actively promoting the development of medical tourism. Private initiatives are also popping up, like Dentaland Inc., a recently opened dental facility located in a big shopping mall, offering cheap dental care to medical tourists. The clinic is currently opening a second location.

The Sun Star (2012) argues that Cebu is working on becoming the medical destination of the country. The government recently started working on a 'road map' for medical tourism. Three hospitals are initially included into the map; the Perpetual Succour Hospital (PSH), Cebu

Doctors University Hospital (CDUH) and Chong Hua Hospital (CHH). This road map is supported by medical professionals from Manila and several agencies that help develop the medical tourism market in Cebu. Cebu Doctors University Hospital has already been the first in the country to receive an independent British accreditation (UKAF) for high end quality medical services (Mars, 2011). Chong Hua Hospital is the first in Cebu to have received the Joint Commission Accreditation (JCI), that is worldwide recognised and that only accredited 120 hospitals worldwide. Cebu is seen as a new market place for the development of medical tourism, offering a wide range of high class facilities, hotels and touristy possibilities. However, medical tourist arrivals are still minimal, with an average of 50 medical tourists per month in 2009 (Cudis, 2009).

Nevertheless, the Cebu Health and Wellness Council is positive about Cebu's potential in developing a flourishing medical tourism market (Cudis, 2009). They see an increased number of medical tourists in the province that are attracted to package deals; the combination of medical check-ups and leisure. The CHWC mainly focusses on European tourists, aiming at attracting them to make use of a combination of medical services, wellness and leisure. The council has developed 5 readily-made medical tourism packages that tourists can pick from, including a total medical check-up, a cosmetic package, a dental-package and a wellness and leisure package. All packages include airport pick transfers, hotel/resort accommodation and cultural tours. Much information on medical tourism development in Cebu is not yet to be found, considering the recent set-up and development initiative in this market (CHWC, 2012).

## **CONCLUSION**

The Philippines has often been called a non-typical South East Asian country. Due to its political and economic performance, it has often been compared to Southern America. The powerful Filipino elites are one of most powerful in the region and are still highly present. Especially in the Central Visayas, Cebu, knows a long history of influential elite families. It has grown to be the second biggest and important trade hub in the city and the main receiver of international tourists every year. Medical tourism as a new niche market has been upcoming since the 1970's and especially well-developed in Asian countries as India and Thailand. Since 2008, the Cebu Health and Wellness Council have been actively promoting the development of medical tourism in the Central Visayas region, Cebu in particular. It has formed a public-private partnership between several private hospitals and other stakeholders, including government bodies. It is estimated that the country could earn over US\$3 billion in



revenues from medical tourism by 2015. However, not much is yet known about the development of medical tourism in Cebu.

## CHAPTER 3 METHODOLOGY

### INTRODUCTION

This chapter elaborates on the used methodologies in this research. Paragraph 3.1 will start by showing the research questions, objectives and the conceptual model, which form the basis of this research, providing a graphical overview of the most important factors that this research focusses on. Paragraph 3.2 focusses on the main objectives of this research that come from the research questions and the conceptual model. Paragraph 3.4 will operationalize the used concepts in this research. Paragraph 3.5 will elaborate on the research methods that were used and to conclude paragraph 3.6 will elaborate on the main limitations and strengths of the research outcomes.

### 3.1 RESEARCH QUESTIONS & CONCEPTUAL MODEL

The conceptual model is the basis and starting point for doing research. In figure 6 the conceptual model for this research is displayed. It shows the path of the influencing factors that are present in this research. The conceptual model is a graphical overview of how the sub questions are related to the main question. Firstly, the following central question and sub questions have been the guidelines in this research.

#### CENTRAL QUESTION

*'What are the effects on local development from the development of medical tourism in Cebu and how can the local population benefit from the development of medical tourism in a sustainable way?.'*

#### SUB QUESTIONS

- How is medical tourism developed in Cebu?
- How is dealt with negative impacts from medical tourism in the past?
- How does the local government of Cebu approach medical tourism and how does the local government integrate the local population in the development of medical tourism?
- What are the main effects on local development that arise from the development of medical tourism in Cebu?
- What are the main possibilities for the local population to benefit from medical tourism?
- Can the medical tourism development in Cebu be seen as sustainable?

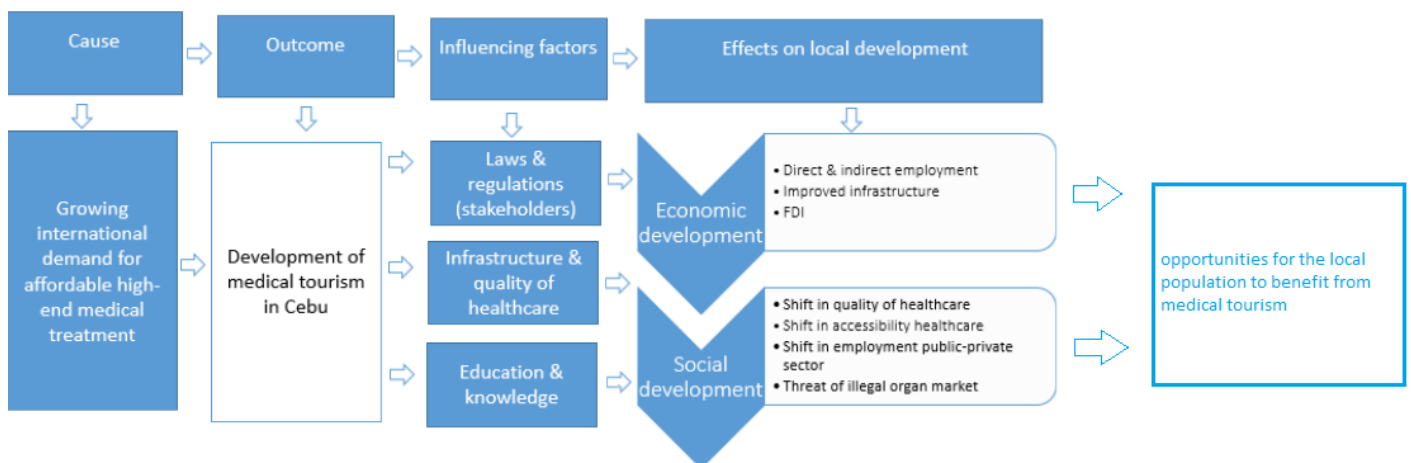
Those questions provide the basis to cover the main objectives of this research.

The main objective of this research is to create a relevant insight into the current medical tourism market in Cebu, with a focus on the effects for local development and the local population that are occurring. The main objectives of this research can be summarized into the following:

1. To gain a holistic overview of the currently developed medical tourism market in Cebu and its main stakeholders.
2. To gain insight in the main socio-economic effects that derives from the development of medical tourism development in Cebu for the local population and local development.

To show how the sub questions and objectives are related to each other and how they form the basis for answering the main questions, the conceptual model provides a graphical picture in figure 6.

Figure 6; *Conceptual model of the development of medical tourism in Cebu*

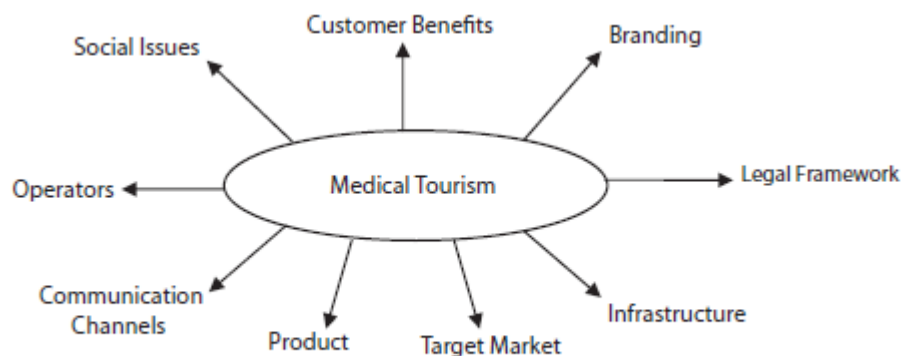


### 3.2 EXPLANATION OF THE CONCEPTUAL MODEL & OPERATIONALIZATION

The conceptual model is based on the main- and sub questions formulated above. This research starts with a growing international demand for affordable high-end medical treatment; this is the cause and therefore the starting point of this research. This growing international demand is resulting in an outcome; the development of medical tourism in Cebu. This development is influenced by several factors, from which some are chosen in this research to be focused on. Those influencing factors are ‘laws & regulations’ (stakeholders); this factor consists out of all involved stakeholders in the medical tourism market and the laws and regulations that are formulated about medical tourism. By mapping the different

stakeholders, using the map of medical tourism and its stakeholders from Caballero-Danell & Mugomba (2007), as was already displayed as figure 1 in Chapter 1, the medical tourism market in Cebu can be mapped out. By mapping the medical tourism market it can be understood who are the main stakeholders and which laws and regulations are in place. This is the starting point for understanding the market and eventually finding out what the main effects are for the local population.

*Figure 1; Map medical tourism and its stakeholders (Caballero-Danell & Mugomba, 2007).*



‘Infrastructure & quality of healthcare’; this factor consist out of the existing health infrastructure in terms of number of hospitals involved and the quality of the healthcare system. In order to understand the possibilities and the recent developments, the healthcare system needs to be understood.

The third factor is ‘education & knowledge’ and focusses on the existing education and knowledge about medical tourism and how this is influencing the development of medical tourism. By measuring to what extend medical personal is aware about and trained in medical tourism, it can be understood how serious and of what quality the recent developments in Cebu are.

In this research it is chosen to focus on economic and social development. Those are subdivided in effects that are expected to occur from the development of medical tourism as was observed from existing literature. According to Littig & Griebler (2005), work is a very central requisite for sustainability, since it will bring satisfaction and self-fulfilment. It is expected that medical tourism development could provide direct, but also indirect employment opportunities for the local population. At the same time, this could result in a social problem, when a shift between the public and private sector employment will take

place, leaving the public hospitals without enough qualified personnel. Therefore this is one of the factors that will be looked into regarding the social development part.

Growth in FDI is an expected effect that can occur from the development of medical tourism, since mostly private hospitals are involved and new hotels etc. are expected to be build. However, as Voltano (2004), stresses, most of the FDI and economic revenues in medical tourism flow back to the international investors and do not benefit the local population enough. He does believe that certain sectors do benefit, especially in construction, pharmaceuticals and communication. Therefore it is interesting to look into growth in FDI and where those investments are flowing back to in order to understand who is really benefitting from the development of medical tourism.

Johnston et al. (2010) stresses the possibilities of medical tourism to offer solutions to local problems, like infrastructure deficits for the local population. At the same time he argues the possibility of a negative shift in healthcare quality, since foreigners will consume a large amount of public resources. This could result in a social effect, the loss of equitable access to quality healthcare. Connel (2005) agrees with him on this issue, where Turner (2008) believes that with the right management and the formation of public-private partnerships, the quality and accessibility of health care could improve instead of diminish for the local population. Those different opinions are interesting to take into account while doing the field research on this subject. Another point that Turner (2008) stresses upon is the importance of excluding all organ transplanting activities from the development of medical tourism in all developing countries, in order to protect vulnerable and poor groups. The threat of an illegal organ market is one of the main factors that comes up when reading about medical tourism in developing countries. Therefore it is important to make sure that an illegal organ market is restricted when developing medical tourism in order to create sustainable opportunities for the local population to benefit in other ways.

The next part will describe the used methods in this research.

### **3.3 RESEARCH METHODS**

This research aimed at analysing and measuring the effects of the development of medical tourism in Cebu. Therefore this can be seen as an impact study, researching the impact of the effects from medical tourism on multiple sides of the local situation (Zoomers, 2012).

According to Desai & Potter (2006), in recent years, it has become more common to mix research methods, because of the extreme complexity of many development issues.

Hulme (2007) argues that: *'In development studies there is an emerging consensus that combined approaches and 'mixed methods' can create knowledge that is more socially useful and can contribute to more effective policy (as cited by Campo, 2011).'*

The methodology that has been used in this research is mixed research. It has mainly been conducted through the use of qualitative semi-structured interviews. Semi-structured interviews make use of certain pre-determined subjects and questions that need to be answered, but leaves space for contributions from the interviewee. According to Desai and Potter (2006), structured interviews can allow some matters to be standardized across different interviewees. This could be useful for questions about income or living standards. Therefore some structured questions will be integrated into the semi-structured interview format, in order to be able to collect enough quantitative data.

#### QUALITATIVE DATA

Qualitative interviews have been conducted with both professionals in the field to gain more general knowledge about the market, an additional medical tourist, in order to gain insight into motivations and pull-factors towards Cebu and the Philippines, government bodies involved in the market, in order to gain more insight in pull-factors and laws & regulations in the market and with both public and private hospitals to gain more practical knowledge in how those practices are operating in the market.

In total eleven interviews with professionals in the field have been conducted. One Medical tourist has been interviewed. Four private and one public hospital have been interviewed as well as one government health clinic. Six Stakeholders in the medical tourism market have been interviewed. The interviewees have all been selected on relevance and knowledge about this market. Appendix one provides an overview of all held in-depth interviews.

To measure the validity of the outcomes from the qualitative data collection, it is important to first define 'validity'; *'The concept of validity is described by a wide range of terms in qualitative studies. This concept is not a single, fixed or universal concept, but "rather a contingent construct, inescapably grounded in the processes and intentions of particular research methodologies and projects (Winter, 2000 as cited in Golafshani, 2003).'* Validity,

according to Stenbacka (2001) as cited by Golafshani (2003), will lead to generalizability, which is the structure for documenting research of high quantity. If the validity of a research is high, the outcomes are more trustworthy and generable. Brinberg & Mcgrath (1987) believe validity; *'Is not a commodity that can be purchased with techniques, rather validity is like integrity, character, and quality, to be assessed relative to purposes and circumstances* (as cited by Maxwell, 1992).

As Desai & Potter (2006) point out, one of the disadvantages of qualitative research is that the outcomes are in general are hard to generalize. However, one of the advantages is named to be the ability to capture different local perceptions on a subject, which is a very important part in this research. Therefore, the outcomes might not be generalizable for the whole of Cebu, they still capture valuable opinions and ideas on the effects from medical tourism from the main stakeholders and professionals in the field.

#### QUANTITATIVE DATA

Quantitative research has been conducted through super-structured interviews/surveys with nurses, working in both the private as public hospitals. The hospitals that cooperated in this are Chong Hua Hospital, Perpetual Succour Hospital, Cebu Doctors University Hospital, Sacred Heart Hospital and Viceto Sotto Memorial Hospital.

Attempts to collect quantitative data amongst hotels and tour operators failed, because of the lack of their involvement and participation in medical tourism. However, quantitative data was collected through the Department of Tourism, Department of Trade & Industry, as well as through Travelvison, the only tour operator involved in medical tourism in Cebu.

The quantitative data that has been obtained through 27 super structured interviews/ surveys with the different nurses has been randomly distributed. The three private hospitals have been particular chosen for participation, because of the high interest in the outcomes, since it was expected that participation in medical tourism practices might have had socio-economic effects on the employed nurses there. The other participating hospitals have been randomly selected from the 9 private and 2 big government hospitals. However, due to disallowances and rejections of some of the selected hospitals, there has been a shift towards other hospitals that did offer their cooperation. In addition, only 4 to 7 nurses has been interviewed in each of the hospitals due to hospital-restrictions and in the end the interviews with nurses in Perpetual Succour Hospital got restricted and are therefore not included in this research. Therefore, the

outcomes can't be seen as representative for the total of employed nurses in the participating hospitals. However, the nurses that participated were randomly selected by the hospital administrators and according to them, the outcomes can be seen as a 'generally representative' for their nurse employees.

Of course, it has to be taken into consideration that the outcomes are personally influenced and a too small sample to make general assumptions about the whole nurse population in Cebu. Figure 7 shows a general overview of the used methodology.

Figure 7: Mixed methods



### 3.4 LIMITATIONS & STRENGTHS OF THE RESEARCH

As Desai and Potter (2006) point out in every place or community there are certain 'gatekeepers', that are important key-figures that need to provide permission for your research. In this particular research there was not one gatekeeper, but many different gatekeepers. Especially in the government hospitals, it was extremely difficult to gain permission to interview

the medical director or even one member of the medical staff. Even through local contacts it was not easy to accomplish. Those hospital 'gatekeepers' were eager to gain all possible information about me and my research before permission was granted to conduct an interview within 'their' hospital. However, although this may have costs delay and double work, in the end two out of three government facilities granted me access to their medical directors.

Other limitations on the research are:

- The small amount of nurses that were interviewed in each of the hospitals. To make legitimate assumptions and generalize the findings, much more would have has to be interviewed. Another limitation would be the fact that the hospitals have selected the nurses that participated in the interviews, this could have caused some bias. The non-cooperation of private hospital Perpetual Succour Hospital is a big limitation, because now the ideas and



expectations of medical personal at one of the major players in medical tourism is not included in this research.

- The limited amount of medical tourist interviewed limits the opportunity to make legitimate generalizations about the main push and pull factors medical tourists experience in choosing Cebu as a medical tourism destination. However, this has been compensated by other secondary data and data gathered by interviewing the different stakeholders, who have experiences with the motivations of medical tourists.

- Statistics on medical tourist arrivals and especially statistics on revenues generated by this market are missing in this research. This can be seen as one of the biggest limitations, since this is restricting the research to legitimately answering the central question on the main socio-economic effects from medical tourism for the local population and local development with quantitative data. However, the qualitative data gathered from the interviews with the different stakeholders might compensate part of this gap in quantitative data.

- As might be obvious, the limited time and economic resources of the researcher have restricted this research in being able to compare different time frames or gather large amounts of both quantitative and qualitative data. The fact that the Philippine summer holiday is held during the months March-April-May (the months the research was conducted) resulted also in closed offices and stakeholders being unavailable due to holidays.

The main strengths that this research has to offer include:

- This research is touching a field of a newly emerging market in Cebu, where not much data or statistics are available yet. However, this research shows a quit holistic overview of the opinions and experiences of the different stakeholders involved in this market, as well as opinions and information from medical and non-medical professionals that are not involved in this market and offer therefore a fresh and sometimes completely different perspectives on the effects from medical tourism on the Cebuano society.

- The research aimed to be conducted with as less bias as possible, by both interviewing public and private hospitals, medical and non-medical personal. Also, by letting the hospitals randomly select the medical nurses for the super-structured interviews/surveys the researcher had no pick in the selection of participants.

It can be concluded that further research has to be done to make more general assumptions about the whole medical tourism industry in Cebu, however this research provides the starting point for that and touches upon a recently developing subject. Chapter 4 will focus on the medical tourism market in Cebu as was researched and observed in this field work study.

## **CHAPTER 4 THE MEDICAL TOURISM MARKET IN CEBU**

### **4.1 MEDICAL TOURISM DEVELOPMENT IN CEBU**

Medical tourism started to develop in the whole country as a niche market since 2004, under the leadership of president Arroyo. She implemented the Philippine Medical Tourism Program, forming public private partnerships between the government and private hospitals, hotels and other tourism associations. In 2009, President Gloria Arroyo agreed on the National Tourism Policy Act, which declares a national policy for tourism to be one of the countries devices to generate investment and employment. Cebu was acknowledged to be one of the strategic areas to develop tourism further (CBI, 2013). Under guidance of the Dutch company CBI and in cooperation with the German GIZ and the local company Phil Export, the Cebu Health and Wellness Council was formed, which is currently the main operator in medical tourism in Cebu. This council was formed in 2008, after a selection period guided by the CBI (Doctor Pe., personal interview, April 17<sup>th</sup> 2013) . The council is led by Mr Oscar Tuason, who is also the administrator of Cebu Doctor's University Hospital. Together with Perpetual Succour Hospital and Chong Hua Hospital this forms the backbone of the medical tourism industry in Cebu. From the government side the Department of Tourism, Department of Health and Department of Trade and Industry keep track on the rules and regulations and the monitoring of accreditation and quality within the participating hospitals, clinics and hotels. From the private sector several high end hotels are involved; Shangri-La resort, Plantation Bay resort, Marco Polo hotel, Waterfront hotel as well as Mogambo Spring's Spa, the Cebu Dental Specialist and Travelvison, who is the single promoter of the medical tourism packages in Cebu (CHWC meeting, personal interview, February 27 2013). Medical tourism is relatively small and still being developed in Cebu.

Table 2 shows an overview of Cebu's medical tourism market based on the medical tourism model that was developed by Caballero-Danell & Mugomba (2007) (and that was shown in figure 1, that is displayed in Chapter 1) and is explained in the paragraph following. This model was chosen, because it provides a small and clear overview of the most important features of the medical tourism market in Cebu.

Table 2; Cebu's tourism market

<b>Operator</b>	<b>Cebu Health and Wellness Council (public/private partnership)</b>
<b>Branding</b>	Cebu Health and Wellness Council through website / (international) congresses and mouth-to-mouth marketing
<b>Legal framework</b>	<p><i>DOH</i> Monitoring and regulation for hospitals</p> <p><i>DOT</i> Monitoring and regulations for hotels and tours</p> <p><i>DTI</i> Monitoring and regulations for private businesses</p> <p><i>Missing:</i> No framework on how to deal with unsatisfied customers</p>
<b>Infrastructure</b>	<p>Existing:</p> <p>3 major tertiary private hospitals involved in medical tourism with an average of 300/400 hospital beds. Major (international) resorts and hotels involved in medical tourism Everything arranged through the local travel agency involved (Travelvision)</p> <p>Planned:</p> <p><i>Government</i> Expansion of Mactan international airport / Building of Bohol international airport / Building of new international seaport in Northern Cebu.</p> <p><i>Private sector</i> Invest in Mactan airport / invest in construction sector / invest in malls etc.</p> <p><i>Foreign Direct Investment</i> Invest in Business Process Outsourcing; call centres etc.</p>

<b>Main target market</b>	Balikbayans (1.2 million in Cebu yearly) East Asians (535.000 yearly) Europeans (100.000 yearly)
<b>Product</b>	21 different Package tours including hotels and tours <ul style="list-style-type: none"> <li>- 8 cosmetic/ medical</li> <li>- 9 wellness</li> <li>- 3 dental</li> <li>- 1 lasik eye</li> </ul>
<b>Communication channels</b>	Website <a href="http://www.cebumedicaltourism.com">www.cebumedicaltourism.com</a> (International) tourism fairs: <p>Fourth Annual World Health Tourism Congress (WHTC) at Sofitel Hotel Manila in March 2009</p> <p><i>Health and Wellness Forum</i> (in partnership with CCCI) at Laguna Garden in November 2009</p> <p><i>Middle East Roadshow</i></p> <p><i>Medtour's Cebu Health and Wellness Expo</i> in Canada in July 2010</p> <p><i>1st Philippine Retirement &amp; Healthcare Summit</i> 2011 at Dusit Thani Hotel Makati in April 2011</p> <p><i>Internatonale Tourismus – Borse</i> (ITB-Berlin) in March 2012</p> <p><i>Planned: World Travel Market</i> London 2013</p>
<b>Social issues</b>	<i>Organ trafficking</i> <i>Gap</i> between rich and poor (access to healthcare) <i>Shift in quality</i> local healthcare including brain drain from professionals from public to private
<b>Customer benefits</b>	Cheaper No waiting lists High quality Combination of health and wellness (leisure) Luxurious experiences

As can be concluded from the table above, the Cebu Health and Wellness Council is the leading organ who is organizing, managing, promoting and selling medical tourism in Cebu. Currently 21 different packages are offered; 8 cosmetic/ medical, 9 wellness, 3 dental and 1 Lasik eye package. All are promoted through the internet and the website of CHWC. Also, the CHWC is actively promoting on (inter)national tourism fairs.

The CHWC is consisting out of a public-private partnership and has several stakeholders from which the Department of Trade and Industry, the Department of Tourism and the Department of Health form the legal framework in monitoring the involved hotels, hospitals and private businesses. What is currently still missing in the legal framework is how the CHWC deals or should deal with unsatisfied customers or medical complications after the procedures. What is also missing is an overview of involved insurance companies that work together with the involved private hospitals.

The private hospitals now involved in medical tourism in Cebu are the 3 major private hospitals; Chong Hua, Cebu Doctor's University hospital and Perpetual Succour. Those hospitals all have an average of 300 to 400 beds and claim to provide around 10 per cent of their beds for medical tourism. Also part of the existing medical tourism infrastructure at the moment are the major, international resorts and hotels and a local travel agency, Travelvision, who is the single seller of the medical tourism packages. For the future some extensions and infrastructure improvements related to medical tourism are planned. From the government side, the expansion of Mactan international airport, the building of Bohol international airport and the development of a new international seaport in Northern Cebu are all planned in the next years. From the private sector, there are concrete plans to invest in Mactan airport and the construction sector, especially in malls and hotels/ condominiums. In what extend exactly medical tourism is contributing to development in Cebu will be elaborated further upon in chapter 5, where also the social issues will be discussed. The next paragraph will first focus upon the opinion of the involved stakeholders related to medical tourism.

## **4.2 OPINIONS OF STAKEHOLDERS**

As was mentioned in table 2, the main stakeholders involved in medical tourism in Cebu are the three big tertiary hospitals; Chong Hua, Cebu Doctor's University hospital and Perpetual Succour. A list of all other officially involved stakeholders:

- The Cebu dental specialist (group of 16 specialised dentists offering 18 different dental procedures)

- Badian island resort and spa
- Mogambo Springs, spa at Plantation Bay
- Shangri 'la Mactan resort and spa
- Waterfront Cebu City hotel and spa
- Marco Polo Plaza Cebu
- Body Mind and Wellbeing
- Art Holiday Cebu
- Travelvision

However, from those partners involved, only the hospitals, Marco Polo Plaza Cebu, the Dental specialist and Travelvision are active in this market. Some stakeholders have never been in touch with medical tourists yet and never come to the monthly meetings (CHWC meeting, personal interview, February 27th 2013). This might also serve as an indicator for how serious this new market is taken by some of the stakeholders. As became clear from a personal interview with the Cebu Health and Wellness Council (February 27, 2013), this new market is not offering real profit to the stakeholders yet, it is still too small and not stable enough. As Jenny Franco mentioned: *'We are doing this on a voluntary basis now, we need to invest time and effort into this product, so it can grow and Cebu can benefit from it in the future'*. On the questions who could benefit the most, the opinions differ. Members of the council all think the benefits will trickle down. Jenny Franco: *'Definitely economic development. More business generated for the hospitals... from the professionals down to not only the hotels, the employees of hotels but also trickle-down effects, to even the farmers and the fisherman's'*.

Nelia Navarro: *'For me as a possible patient, the biggest advantage would be the upgrading of the facilities in both the hospitals and the hotels. For me as a local Cebuano, it has benefited me! I have access to world class services from the hospitals. Their investments also, they need more employees. Other jobs, for example in maintenance will grow consider that one employee will have around 5 people in their family, can you imagine how many people will benefit from this market? But the most important; health care has and will improve for the locals'*. On the other hand, the department of tourism does have a marginally nuanced opinion about who will really benefit from the development of this new market; *'Definitely the hotels, the accommodations, of course the hospitals and the dental clinics. But most of all the big hotels and resorts, usually internationally owned also. It's still the leisure market that*

*will benefit from medical tourism’.*

Where the regional government is represented through the different departments in the CHWC, there is no local government involvement in the medical tourism market and as Chanda (2002) argues, many problems caused by medical tourism come from a lack of government involvement and investment. He argues that public private partnerships need to be established so that the public sector can profit from the private sector. At the moment, formally this partnership is formed in Cebu by the CHWC, however, as Kaira Zoe is also pointing out in a personal interview (February 25, 2013), *‘As of now I don’t really see any benefits flowing back to the local Cebuano’s, it’s an elite thing, I really think that there is a need for the government to step up more, in terms of its responsibilities to the people. The more you push for restructuring, towards privatization without really providing a system where the poor also benefits, it will only result in the erosion of the poor’s resources’.* This is in line with what Littig & Griebler (2005) argue about social sustainability. They state their second tier of social sustainability to be social justice in terms of economic goods and equal opportunities and distribution of those. What becomes clear is a difference in perception about the desired outcomes from medical tourism and how the local Cebuano can benefit. On the one hand, the department of trade and industry takes it to a personal level by saying that the development has benefitted them personally with the improvement of healthcare quality. On the other hand, on the ground, Kaira Zoe, who manages an NGO, and even by the department of health it is recognized that the real beneficiaries are not so much the local Cebuano’s yet. To follow up on Chanda’s (2002) argument about the importance of government support and investments in order to create a successful and sustainable medical tourism market, the next paragraph will elaborate on government involvement.

#### **4.3 GOVERNMENT INVOLVEMENT**

With the formal involvement in the CHWC, but without supporting medical tourism from a local government perspective, it is not totally surprising that the Department of Tourism has rated health & wellness tourism as ‘not important/ not unimportant for this region’ as of last year. Developing adventure, cultural and educational tourism is currently seen as more important by the department of tourism. It is surprising to find out that the local government is not formally involved in the development of medical tourism. The initiatives, as has been explained in earlier paragraphs, have come from foreign institutions as the Dutch CBI and German GIZ. Of course, the government is aware and approving the recent developments

through government agencies as DTI, DOT and DOH, but active involvement from the city councillor is absent in the current market. The CHWC thinks this is surprising, because medical tourism is generating income and economic growth for the local Cebuano economy (personal interview, CHWC meeting, February 27, 2013). With the active involvement of the city council, medical tourism could be promoted better and grow tremendously according to Mr Tuason, chairman of the CHWC.

However, medical tourism is seen as one of the major potential growth markets on the island by the Department of Trade and Industry (Marilyn Tancinco, personal interview, March 26, 2013). As it was also recognized as one of the seven growing markets in the Filipino economy, it can be assumed that the government does recognize it as an important market. Unfortunately, the Cebu City Council was not available for comments on its current involvements and opinions on the medical tourism developments in Cebu. As existing literature stresses, strong government involvement is required in order to eliminate problems that can develop from medical tourism in the future.

Mr Carreon, working at the National Economic and Development Authority of Cebu (NEDAC), is recognizing medical tourism to be one of the development sectors that they would like to push forward. However, currently they are not involved in doing so, because they don't have permission for this yet. Through both partnerships and cooperation's with the DTI and the Central Visayas Health Research Consortium, who monitor the facilities of the medical services in Cebu, the NEDAC is also partly involved in medical tourism, mostly through the monitoring of new medical developments and constructions. This will be elaborated upon more in Chapter 5.

#### **4.4 ACCREDITATION**

But, where the government is integrally bound to medical tourism, is through accreditation and monitoring. This is the responsibility of the Department of Health, who is responsible for the quality control and monitoring of the accessibility of healthcare amongst the local population. The Department of Tourism is responsible for the accreditation and quality monitoring of the involved hotels and tours.

Cebu Doctors University Hospital has been the first in the country to receive an independent British accreditation (UKAF) for high end quality medical services (Mars, 2011). Chong Hua Hospital is the first in Cebu to have received the Joint Commission Accreditation (JCI), that is



worldwide recognised and that only accredited 120 hospitals worldwide. Cebu is seen as a new market place for the development of medical tourism, offering a wide range of high class facilities, hotels and touristy possibilities. However, medical tourist arrivals are still minimal, with an average of 50 medical tourists per month in 2009 (Cudis, 2009).

From the three private hospitals involved in Cebu only one, Chong Hua hospital has obtained the international Joint Commission International accreditation. This is the world's first World Health Organization collaborating center dedicated exclusively to patient safety (United family healthcare, 2011). Still, medical professionals are questioning foreign patient safety when it comes to medical tourism facilities in Cebu. As the head of nurses in private hospital Sacred Heart, Miss Kirsten Aznar (personal interview, March 26, 2013) reveals her worries about this. She thinks that medical tourism facilities in Cebu are just as good as any other in the developed world on paper, but when it comes to practice, she worries about accuracy and especially the medical facilities that are needed in case of emergencies. She mentions the lack of state-of-the art machinery and the lack of specialty medical teams in many of the hospitals. Even in the accredited hospitals, medical specialty teams are shared, which means that professionals are not always available in times of emergencies. Miss Panopio and Mr Gallon, who are in charge of the medical tourism operations in Perpetual Succour and Chong Hua hospital, disagree with Miss Aznar, because they argue, that even if this were true, 99% of the medical tourists they receive come through booked appointments, which provides the opportunity to arrange all possible necessities for the medical procedures booked. Interestingly, this shows a different perspective between the hospitals involved in medical tourism and the hospitals not involved in medical tourism. However, miss Aznar is merely positive about medical tourism development, but still thinks bridges has to be build and medical facilities has to be improved before it is really safe to call the medical facilities in Cebu 'state-of-the-art'.

#### **4.5 THE MARKET IN CEBU**

With only one hospital accredited by the JCI, it could be expected that medical tourists all choose this hospital for their medical procedures. Surprisingly, it appears that medical visitors are somewhat equally divided amongst the three involved hospitals. However, medical tourism arrivals vary from source to source. This paragraph will aim at reaching a substantial conclusion about medical tourism arrivals in Cebu.

From existing literature it can be seen that Castillo & Conchada (2010) predict 700.000 medical visitors in the Philippines by 2015. For Cebu alone, the department of tourism failed to present any data about medical tourists. In a personal interview with Judilyn Quaichon from the DOT (April 2, 2013) it became clear that within the Cebu Health and Wellness Council there is a lack of clarity about the medical statistics. There is no clear party responsible for collecting and analysing the medical tourism statistics. However, from different sources in the field, different numbers appear. Only five medical tourism packages were sold through the official marketing channel and sole travel agency involved in this niche market; Travelvision. However, both Doctor Pe and Mr Tuason from Perpetual Succour and Cebu Doctor's hospital argue to receive far more medical tourists on a monthly basis. Mr Tuason believes to receive around 90 medical tourists monthly. Dr. Pe spoke of *'hundreds of foreign patients over the past years'* (personal interview, April 17, 2013). Those medical tourists have obviously not booked through Travelvision and are therefore also not officially registered as a medical tourist. As becomes clear from the personal interviews with the three involved hospitals. Cebu Doctors University Hospital is the hospital that is currently most involved in receiving medical tourists. With an average of 90, they are leading the market in Cebu. Most medical tourists are availing of dental work, reconstructive surgery, plastic surgery and maternal facilities. Chong Hua hospital on the other hand, focusses mostly on Lasik surgeries and Perpetual Succour on plastic and reconstructive surgery. Both Chong Hua and Perpetual Succour argue to receive around 10% of their total client base in foreign clients, which comes down to 30 to 60 foreign patients a month. Surprisingly, Chong Hua hospital, which is the only internationally accredited hospital is not leading the market as of now, which shows that accreditation is probably not the most important trigger for the foreign tourist to choose a hospital. According to Mr Tuason, this mostly comes from mouth-to-mouth promotion and the excellent reputation his hospital has. In paragraph 4.7, a medical tourist will shed more light on this decision making process from a personal perspective. Conclusively it can be argued that a precise number of medical visitors cannot be given. Even though the 90 medical patients that are argued by Cebu Doctor's University hospital seem to be rather high considering all aspects and lack of prove, it is assumable that the medical director is best informed about the visitor numbers in his hospital.

### **GAPS IN STATISTICS**

The vast gaps between existing statistics and the reality might be explained by the fact that most of the medical tourists that visit Cebu Doctors hospital are Balikbayans, overseas

Filipino's, coming back to Cebu to make use of the local healthcare. For Dr. Pe this is also a vast market of her foreign clients, but she also argues that she received at least two hundred foreigners besides the Balikbayans over the past five years in her clinic, situated in Perpetual Succour hospital. Those patients are referred to her by Travelvision, because those patients only avail of dental work, without making use of the accommodation and other tourism options that are present in the medical tourism packages. Even more surprisingly are the numbers that are presented in the rapid assessment report that was made on the tourism industry in 2012 by the CBI and the Cebu Health and Wellness Council; Cebu received 1.772.234 possible Health & Wellness tourists last year. Of those visitors, 712.400 were foreign and 1.059.834 domestic (CBI, 2013). However, this is in large contrast with the minimal number of packages that were sold through Travelvision and even the foreign medical arrivals in the hospitals. This shows that the medical tourism market in Cebu is not very organised yet and even the involved government institutions are not totally aware of the market that they are working with. After intensive analysing and linking of sources it can be concluded that the medical tourism market in Cebu is one that is not defined very well by its managers. The only provable medical tourists that have visited Cebu are the five that booked through Travelvision. Those are all foreign inhabitants. The 'hundreds' of others that have apparently visited the three hospitals involved without the guidance of Travelvision, appear to be either Balikbayans, making use of local healthcare before returning back to their current country of residence and foreigners who either live in Cebu or have a more permanent residency in Cebu to either study or do business. Both parties have already more knowledge about the medical advantages Cebu has to offer and are not in need of the extra services offered in the medical packages, such as resort reservations and touristic tours. With discovering this splintered target group, the following question that appears is who this medical tourist exactly is, where he comes from and where he spent his money on. The next question that arises after, is whether this newly, untargeted market like the Balikbayans and long term residents are actually benefitting to the local communities, as was intended by setting up the medical tourism packages, because they usually don't avail of hotel and tour reservations. Before those questions will be elaborated upon, the medical tourist in Cebu will be explored in the following paragraph.

#### **4.6 THE MEDICAL TOURIST IN CEBU**

The medical tourism packages that are sold through Travelvision are intended to also benefit the local communities in Cebu and the local working force by also implementing transport,

tours and guidance into the packages. With those large markets availing of local healthcare without booking the medical packages, the local workforce might be surpassed. Looking at the scarce existing statistics it appears that the main foreign markets are Korea (12%), Japan (7%) and the US (4%), followed by Germany, the UK and France. In 2010, the CHWC has identified Europe, in particular the UK, followed by the Netherlands and Germany as their main focus for the light medical and dental procedures. For the spa and wellness services the main focus is towards Germany as main market, followed by the Netherlands and the UK (CBI, 2013). However, from the rapid assesment report that was made on the tourism industry in 2012, it appeared that the main foreign medical arrivals are Korea (12%), Japan (7%) and the US (4%), followed by Germany, the UK and France.

Interestingly, in Manila, the largest group of foreign medical patients are from the USA, followed by Japan and Korea. Cristian Jude (personal interview, February 21, 2013), who is a licenced nurse, gives an explanation for the fact that Koreans are more likely to go to Cebu instead of Manila; *'Koreans are very dependent travellers, usually travelling in groups under the guidance of a hired guide. Also, Koreans are in favor of spending their holidays island hopping and sight-seeing which can be easily and safely done in Cebu'*. Manila is seen as more dangerous by many tourists, especially amongst the Korean and Japanese (Judilyn Quaichon, personal interview, April 2, 2013). Obviously this is a personal opinion and can not be backed up by existing literature. Nevethless it provides us with an image that was formed by intensive contact between a licenced nurse and international patients and therefor gives us a rough idea about why Cebu could be choosen over Manila.

Mr Tuason also believes that the medical tourism in general is driven by the older aged tourists from Europe and the US. General characteristics can be named as educated, well-traveled, who makes use of the internet to book their holidays (personal interview, February 26, 2013). This however is based on his personal view and is not proven bij statistics. Also, despite those estimations, the largest group of tourists coming to Cebu is by far the Koreans and therefore this group is most likely to visit the spa and wellness facilities, as well as the light medical and dental procedures.

Travelvision has only sold 5 medical tourism packages since the two years that medical tourism packages are sold (Manager Travelvision, personal interview, April 19 2013). Two out of five were sold to Filipina's (Balikbayans) from Germany, who underwent liposuction at Cebu Doctors University Hospital. Two medical tourists who booked the packages were from

Bahrain and underwent dental and reconstructive surgery at Perpetual Succour Hospital. The last booked package was a German who booked liposuction and cosmetic surgery at Cebu Doctor's University Hospital. However, with the three hospitals involved suggesting over around 90 foreign visitors monthly, there is a vast gap between those who book the package tours and those who make use of the hospital services on their own. According to Doctor Pe., who owns her own dental clinic, situated in Perpetual Succour Hospital, most medical tourists she receives contact her directly or get referred to her by Travelvision. She argues that mouth-to-mouth promotion also encourages her foreign clientele to grow, especially among the Australians and New Zealanders. In total she received around twenty medical tourists through Travelvision, the rest of the near hundred she received contacted her directly. Similar stories are heard from the Department of Tourism, who argue that 'the medical' tourist who comes to Cebu is currently the Balikbayan, the overseas situated Filipino's who come home once a year and undergo dental, medical and wellness treatments because of the price advantages and direct services available (Ms. Judilyn Quaichon, personal interview, April 2 2013).

#### **4.7 THE OPINION OF A MEDICAL TOURIST**

Having spoken to Mr Wouter Put (personal interview, April 18 2013), a Dutch medical tourist who made use of dental procedures in Perpetual Succour Hospital, the main push and pull factors discussed in Chapter 1; cheaper costs, professional services and immediate availability of services are the main reasons to make use of health-related services in the Philippines. Mr Put has come into contact with medical tourism through his involvement with the CBI. His first contact with medical tourism, was by accident and not on purpose with a dental emergency. He decided to get his emergency treated by Doctor Pe, in her dental clinic in Perpetual Succour hospital. Ever since that emergency, he comes back on a regular basis (at least every year) to get his dental work done at Doctor Pe's clinic. He stresses that he does not solely come back to get his dental work done, but always combines this with business or leisure. Mr Put states furthermore that for other, medical related services he would not consider travelling abroad or would seek this closer to home, naming Turkey as an example, since the Philippines is geographically too far away for invasive medical procedures in his opinion. This is in line with concerns that Mr Tuason has about logistical issues that the Philippines has as a result of its geographical situation. According to Mr Tuason, medical tourists are far more likely to stop in Thailand and Singapore than to embark there to fly for another couple of hours to come to Cebu. This is one of the difficulties Cebu faces. However, Mr Put reacts to this by mentioning some of Cebu's unique selling points as the remarkable

world class hotels and beach resorts and the accessible infrastructure of the island and possibility to very easily and comfortably travel to the surrounding islands and beaches that Cebu has to offer. He therefore stresses, that in his opinion, Cebu has a remarkable product when focusing on light medical care, like dental, Lasik or luxurious spa and wellness treatments. For heavy reconstructive or invasive surgeries, medical tourists are far more likely to make use of services closer to home. Where Mr Put has a convincing enthusiasm about the unique selling points of Cebu, he is sometimes overlooking the reality of today about medical tourism. Arguing for the luxurious resorts and remarkable health related options in Cebu, his opinion is not very reliable when he is comparing the facilities with that of Thailand. He did never avail of healthcare there and is therefore probably biased in favour of Cebu. Nevertheless, it does show that satisfied customers are very likely to return again to Cebu.

Unfortunately, due to privacy reasons, other medical tourists have not been interviewed. Nevertheless, as becomes clear from existing literature, patients are more likely to make use of invasive surgery as close to home as possible, however, in case of lack of access to – or long waiting lists, patients might travel overseas to make use of this care to. According to Omar et al. (2012), cost and quality are the most important aspects in choosing a medical destination and patients are more likely to book closer to home when cost and quality are of the same level as destinations further away. What makes Cebu a unique destination, according to both the CHWC as Mr Put, is the fact that there is an excellent opportunity to combine a luxurious holiday with some light medical procedures, for exactly the same money as solely the medical procedures would costs back home. As both parties also enlighten, another strength of Cebu and the Philippines as a whole is the large overseas market of Filipino's who travel back to the country every year to make use of medical services.

#### **4.8 BALIKBAYANS**

In total, every year over 1.2 million Balikbayans visit Cebu coming from: Asia at 78.2%, Australia, Europe, North and South America at 20.4% and 1.4% come from Africa (CBI, 2013).

Besides this 'quick-win' market, who mostly make use of light medical and surgical procedures, including dental work, the next tier market are the foreign tourists who are coming to the Philippines to either make use of medical, surgical or wellness services. In short it can be concluded that 'the medical tourist' in Cebu is mostly a 30-35 year old female, searching for light surgeries, while the executive medical check-ups are mainly booked by

50+ year old males (Rene Solis, personal interview, March 11 2013). Mr Oscar Tuason adds a third interesting target group; the overseas pregnant Filipina's, mostly living in the Middle-East who are not permitted to have their baby there, because of laws and regulations, thus returning to the Philippines to have their babies.

Of course, also local Filipino's are turning to Cebu to receive medical care, especially from neighbouring islands, where healthcare facilities are sometimes almost non-existent. Both due to underinvestment's by the government, poverty and the belief in traditional healers, the local population in the rural areas are not always able to make use of the right healthcare when needed (AIM, 2010). It could be expected that foreign tourists have a larger budget than local and Balikbayan Filipino's. However, as the next paragraph will anticipate upon, the overseas Filipino community could be one of the most interesting target groups for Cebu to focus on.

#### **4.9 PRICES & PACKAGES**

##### **MEDICAL CARE (LIGHT MEDICAL AND SURGICAL)**

Cebu mainly focusses on light medical and cosmetic procedures as well as dental and spa & wellness experiences. The Cebu Health and Wellness Council is offering 21 different packages, most of which (9) are spa and wellness related. The rest comprises of (8) cosmetic/medical, (3) dental and (1) Lasik eye.

Prices are competitive compared to other medical tourism destinations. However, India is still cheaper in comparison to the Philippines. Cebu is the cheapest medical tourism destination in the country, especially in comparison to Manila. Dental tourism appears to be one of the most popular services that both foreigners and Balikbayans avail of. Dr. Pe speaks of 'hundreds of foreign patients' that she received over the past years.

According to the Cebu Health and Wellness Council (personal interview February 27<sup>th</sup> 2013), the council is currently targeting at selling the \$5000+ medical packages to both the Balikbayan and foreign market. In general, as can be seen in other medical tourism destinations such as Jamaica and Thailand, receiving an average spending of US\$5000,- per medical tourist is the average (Travel CNN, 2013). The same prices were found by Future agenda (2007) in 2007, who did a research on UK residents traveling abroad to receive medical care. The average spending on healthcare per trip was US\$4000,-. This shows that the targeted US\$5000,- by the CHWC is relatively low, because it also includes 6 overnight stays in luxurious resorts and hotels as well as guidance and tours during the medical trip.

According to the National Statistical Coordination Board in the Philippines, an average tourist

spends US\$84,- a day, most of which is spend on accommodation (NSCB, 2012). Average tourist spending has gone down in the Philippines the past years. In 2000 the average was US\$117,50 per day. In 2012 that has gone down to US\$84,- a day, with a division of \$20 a day on accommodations, \$22 for food and beverages and \$23 on shopping. Average expense for entertainment was \$14 and for local transport \$5. The general tourist is staying for an average of 9 nights. Looking at current medical package prices, ranging from US\$1269,- to US\$2249,- it can be concluded that a medical tourist is spending an average of US\$290,85 extra a day in comparison to the 'general tourist' and is staying around the same amount of days as the regular tourist (CBN, 2012).

The Balikbayan spends slightly less with an average of US\$80, - a day. Interestingly, Balikbayans spend more on food and shopping and less on accommodation (CBN, 2012). In terms of time, the Balikbayan is spending an average of 19 days in Cebu, in comparison to foreign tourists, who are staying an average of 9 days. This could mean that in comparison, the Balikbayan could be the group that is contributing more to the local economy than the foreign medical tourists. As Harcombe (2013) argues, the economic impact of tourist spending has different levels of impact. The direct level of impact will be transferred to the local population through wages, salaries, rent or interest or to local businesses who offer their services. Leakages that can occur will be through imports, savings and taxes. Nevertheless, this does point out that the Balikbayan market can be a very interesting market with a large share of multiplier effects that flow back into the local economy. As Mr Carreon (personal interview, April 18, 2013) stresses: *'Backward and forward linkages into the tourism industry will expand economic and employment opportunities in Cebu as a direct result from medical tourism'*. He believes, especially the medical tourist will generate economic revenue from spending their money in restaurants, hotels, taxi's etc. However, what is stressed by both Mr Carreon and found in existing literature (Harcombe, 2013), it can be very hard to measure and link those economic revenues to medical tourism expenditures. The next chapter will elaborate further on the main socio-economic effects & opportunities for the local population.



## **5 MAIN SOCIO-ECONOMIC EFFECTS & OPPORTUNITIES FOR THE LOCAL POPULATION**

### **EFFECTS IN GENERAL**

The Cebu Health And Wellness Council believes that developing medical tourism in Cebu can push the domestic economy and offer large opportunities to attract Foreign Direct Investment. In addition, it could offer a solution to the ‘brain drain’ that is still going on with medical personal migrating to developed countries (CHWC meeting, personal interview, February 27, 2013). However, official statistics from the Department of Trade and Industry are not showing off those results just yet. Overseas employment is still increasing yearly, with 145.000 overseas Filipino workers in 2011, compared to 117.000 in 2009 (Personal interview, Marilyn Tancinco, March 26, 2013). Earlier studies done on medical tourism have shown that medical tourism is causing effects on local development and the local population. Besides direct tourism disbursements, there might be a trickle-down of economic revenues into the destination. However, Voltano (2004) stresses the often high leakages in tourism revenues for the local population and markets. Nevertheless, Costa Rica calls plastic surgery nowadays ‘Cirugias de oro’, surgeries of gold. It is a lucrative business, providing a flow of Foreign Direct Investment into a certain destination, which directly benefits sectors as health, tourism and the local and national economy. Backwash effects mentioned by Voltano are mainly in construction, the pharmaceutical industry and communication sector. Also employment creation is an important pull-factor for countries to develop a medical tourism market. Income generation from medical tourism markets could expand quality and accessibility of public healthcare. In order to profit from this benefits, proper health- and economic policies need to be installed, whereas strong policies often lack in most developing countries. Nevertheless, governments have tended to grant national support to the development of medical tourism to ensure its growth. Some Asian countries, like India have implemented special tax concession to benefit medical suppliers.

Obviously negative aspects can be subscribed towards local medical tourism. The growth of an illegal organ market is one of the ethical aspects that could arise with the development of medical tourism. However, in 2000 it was estimated that only 400 Americans received transplants abroad, from whom 4 in the Philippines (Voltano, 2004). However, The WHO has identified the four countries in the world that are the leading providers for both buying and selling organs as being India, Pakistan, Colombia and the Philippines. In all countries the sale of organs is illegal, except for the Philippines. Here, only organ trafficking is illegal. Medical tourism promotion packages are worsening the problem by offering ‘all-inclusive organ

packages'. Especially in the Philippines, organs can be obtained relatively cheap. Hospitals, all located in Metro Manila offer packages ranging from US\$65,000 to US\$80,000 for luxurious kidney transplant packages. There are several medical tourism companies that offer kidney transplants outside of the hospitals, those MTC's include Wellness Philippines, Med Afford, Double Bright International Medical Services, Germany China Medical Company, Liver4you and Rx Pinoy. Within the country at least twelve hospitals engage in organ transplants for foreigners (JRSM, 2008).

As stated by Voltano (2004), the main effects from medical tourism can in general be observed as growth in employment opportunities, growth in construction and communication sectors, in the health sector and the general economy. The next paragraph will therefore focus on those expected effects from medical tourism within Cebu, which can be found from existing literature and theory. According to the Philippine Department of Tourism (2012), a total of 2,230,323 people visited Cebu last year. From those, 997,303 were foreign visitors, 1,222,035 were Filipino tourists and 10,985 were Balikbayans, overseas Filipino residents. National tourists are thus the biggest tourism group accounting to more than half of the total tourist arrivals in Cebu (through air). East Asian tourists are the second largest group, consisting of 24% (535,000 unique visitors) of total tourist arrivals in 2012. Followed by North-Americans with 93,000 (5%) and Europeans with 82,000 (4%). Tourist arrivals in 2012 grew with almost 14% in regard to the year before.

For the Philippines in general, tourism accounted for 2% of total GDP and generated over 778,000 jobs directly and 3,547,500 indirectly in 2011 (News Inquirer, 2011).

Tourism Secretary Ramon Jimenez is expecting US\$5 billion in tourism revenues this year alone for the Philippines. For 2016 it is estimated this will double towards US\$10 billion. He emphasized towards the health and wellness tourism market that is steadily growing in the country (Business Insight, 2013).

## **5.1 FOREIGN DIRECT INVESTMENT**

Foreign Direct Investment is one of the expected growth markets as a result from medical tourism. FDI is increasing in Cebu, last year a total of US\$596 million was invested in the tourism industry, 90% of that accounted to investments in new accommodations. Those new accommodations are both local and internationally owned; both international hotel chains like Best Western and Shangri-La are expanding, generating some 9000 new jobs once operational

(Ms. Renelyn Villegas, personal interview, April 2, 2013). It was estimated by the Cebu Health and Wellness Council, that in 2012, US\$2 million was earned by health and wellness tourist arrivals. Per capita spending per tourist was estimated on US\$1000, - (CBI, 2013). Though, as Voltano (2004) argues, there are often high leakages in tourism revenues for the local population and markets. On the other hand, according to Dollar and Kraay (2000), *'If the economy grows, eventually all will benefit'* (as cited in Hopwood et al., 2005). As Mr Effreon argues, the most important effect that can be seen from medical tourism development right now is a boom in construction and infrastructure. Both constructions in accommodation, hotels and in medical facilities are growing steadily. Paragraph 5.3 will elaborate further on this. As one of the most significant and sustainable markets that might profit from medical tourism development in Cebu Mr Effreon names the growing opportunities in employment. He argues that not only in hotels, restaurants and medical facilities opportunities will grow, but also in construction, transport and the communication sector (personal interview, April 18, 2013). His theory about the boost in employment is in line with estimations that were found in literature also. Voltano (2004) concludes that backwash effects from medical tourism are mostly seen in employment creation in construction and pharmaceuticals. The World Development report 2013 also states: *'Jobs are the cornerstone of economic and social development. Development happens through jobs'*

## **5.2 DIRECT & INDIRECT EMPLOYMENT**

In 2009, a study was done by the National Statistics Office, presenting the results for the Health and Wellness tourism sector in the Philippines. It was estimated that 3,797 establishments in the Philippines were involved in Health and Wellness related tourism. Employment within the Health and Wellness tourism industry was carried out by 100% Filipino's. Female workers were overrepresented by 69, 9% (74,299), the remaining 35,410 where male workers (32, 3%).

Private hospitals provided the largest share of employment with over 71% of total workers. The total revenues that were earned by the Health and Wellness Industry amounted around PHP62, 8 billion, which is the equivalent of around US\$1, 5 billion.

Estimations by the Department of tourism for the coming years is the new generation of over 400,000 jobs within the tourism industry (DOT, 2012). All interviewed professionals, except Ms. Mijares, Medical director of Sacred Heart Hospital, believe that the development of medical tourism can really boost and benefit the local Cebuano economy and will eventually

also trickle-down towards small and medium enterprises. Doctor Gerry Galon, the medical representative for medical tourism in Chong Hua Hospital, believes that: *'Medical tourists will generate a lot of revenues into the economy, it will flow into the business sector, restaurants, small stores, but also benefit taxi drivers'* (Personal interview, March 18, 2013).

*'It will improve the income and earnings of people in Cebu, particularly young people who are still looking for a job'*. (Elizabeth Remedio, personal interview, March 11, 2013)

However, as Ms. Judilyn Quaichon pointed out, still most revenues are flowing back towards the big, often internationally owned hotels and private hospitals (personal interview, April 2, 2013). As has been pointed out before, statistics about medical tourism effects are still scarce and not well documented yet in Cebu.

## **COMMUNICATION, CONSTRUCTION & PHARMACEUTICALS**

Nevertheless, from personal interviews, it can be concluded that some trickle-down effects are occurring. Especially within the construction and Business Project Outsourcing sector, as Mr Efrén Carreón (personal interview April 18, 2013) points out. The Business Project Outsourcing sector in Cebu is now ranked place 8<sup>th</sup> in the world with an estimated US\$ 484 million in revenues in Cebu City alone yearly and over 95.000 employees working here already. The Cebuano newspaper the News Inquirer confirms this by publishing an article about 17 new BPO companies that opened its doors in Cebu last year, making room for 11.000 more new jobs in this sector (2013). The link with the emergence of the medical tourism market lies, according to Mr Carreón, mainly in the opening of American medical call-centres in Cebu, seeking for the skills of medical personal who can't find a suitable job in their profession and therefore start working in call-centres on the island.

### **CONSTRUCTION**

In 2011 the construction sector in Cebu grew with over 21%, accounting for US\$37 billion in revenues, with hotels/apartments and condominiums accounting to most of the construction sites. The department of tourism estimates that in the whole country around 8000 new hotel rooms will be opened in the coming 3 years, partly due to the development of medical tourism. Especially international hotel chains and resorts are expanding or opening new branches on different islands. Medical tourism accounts to around 4% of total investments in construction in 2011 (DOT, 2011). This is mainly seen in construction of new hotel rooms and medical facilities. However, most construction in Cebu took place in construction (87% of total new construction projects) and in commercial buildings (11%). Commercial buildings

accounted to the largest amount of revenues (over 50%), worth over PHP6 billion. The construction of new hotels in Cebu accounted for around PHP 2 billion in 2011.

Cebu is marked as the number one in construction growth in the whole country. The island contributed over 2% of the 7% growth in construction in the Philippines in 2011. On the contrary, the service sector is diminishing and Cebu is ranked 3rd of the country in growth in service provision. In 2010 Cebu contributed 0, 5 and in 2011 this diminished to 0, 25% of total growth in service provision in the country. Which is remarkable, since medical tourism is ranked under services by the National Development and Economic Authority. According to Mr Efreon, this does indicate that medical tourism in itself might not have the biggest impact, but the sectors linked to it, that multiply effects into the economy.

### **PHARMACEUTICS**

Growth and development in the pharmaceutical industry in Cebu is not monitored by the National Development and Economic Authority. However, Mr Efreon does recognize some developments and growth in this economy. Local newspapers are also publishing expectations about newly expanding companies on the island and the promising market Cebu has to open new branches. However, without any monitoring and statistics about this from the market, no valid estimations or conclusions can be drawn about the influence from medical tourism on the pharmaceutical industry.

Looking back at the literature, other destinations experience especially growth in construction, communications and pharmaceuticals. It can be concluded that that is in line with what is found in Cebu, especially within construction and the BOP sector, which is mainly telecommunications and call-centres that are outsourced by the American market. Another very visible development that can be linked to medical tourism are the rapid improvements in infrastructure that are taking place in Cebu at the moment. The shortage of information and statistics about the pharmaceutical market in Cebu limits the possibility to make assumptions about its growth from medical tourism.

### **5.3 IMPROVEMENT IN (MEDICAL) INFRASTRUCTURE**

According to Mr Efreon Carreon (personal interview, April 18, 2013), in addition to economic activities, raise in people's salaries and employment opportunities, backward and forward linkages into the economy will benefit Cebu. Very visible at the moment, are the investments

in local infrastructure. *'We are now in the process of bidding the expansion of our international airport in Mactan that will be improved in a matter of two years'*. Panglao, Bohol is planning the start of a new international airport at the end of this year. In the planning stage is the construction of a new international seaport in the North of Cebu. Of course, this is interlinked with attracting FDI and the booming construction sector. On-going rumours about the expansion of Perpetual Succour, Chong Hua and Cebu Doctors University hospital are neither confirmed nor denied by Mr Effreon. He only could confirm the building of a new part of Chong Hua hospital in Mandaue, the expansion of public hospital Vicente Sotto and the probable expansion of Perpetual Succour hospital. About expansions to Leyte by Cebu Doctors University Hospital he does not want to confirm anything. Those medical expansions are, according to Mr Effreon a logical effect from the medical internationalisation of healthcare in Cebu. However, after discussing the small scale of the market, he concludes that the expansions would have come eventually, also without the development of medical tourism, however, it has, in his professional opinion, definitely speeded up the process. The expansion of public hospital Vicente Sotto he explains both by government investments into healthcare and by the rapid increase of urbanization of Cebu City and the shortage of public hospital beds in the current market. Whether this can also be subscribed to medical tourism development he can't answer. He believes that the expansion of the public hospital is merely driven by government involvement and not by private market forces, as is the case with the other three private hospitals. However, also in this case, he believes that the development of the medical tourism market and the quality increase in Filipino healthcare, also in the public hospitals, can be partly subscribed towards international pressure from the medical tourism community to live up towards the newest standards, not only in the private, but also in the public hospitals. His theory is in line with what Quimbo et al., (2011) found, namely the strong correlation between quality increase in healthcare services between public and private hospitals. However, the correlation that he found was between the growth in quality in private hospitals following after public hospitals, which increased in quality earlier. No correlation was found between public hospitals improving after private hospitals improved in quality. Mr. Effreon believes this can be explained by the fact that the government has control over the public hospitals, restricting it from profiting and developing from increased market share as the private hospitals can. Nevertheless, he believed that for Cebu, public hospital improvements can partly be subscribed towards the medical tourism development, since the international market is 'demanding' this by sending foreigners to the island.

Rene Solis (personal interview, March 11, 2013) agrees with Mr. Effreon and believes quality in healthcare has significantly improved in the hospitals and dental clinics. However, Ms. Kirsten Aznar Fermo (personal interview, March 26, 2013), is still worried about the quality of the existing health infrastructure: *'It's really more fun in the Philippines, haha. I just hope that they would really get the quality, the value for their money that they spend. I hope...'* On the question whether she is really doubting that, she stressed that she does not believe that the promoted healthcare offered to foreigners is really of the same level of that in developed countries. Mostly due to shortages in qualified personnel and equipment. This is actually in line with the statement that Mr. Oscar Tuason made, administrator of Cebu Doctors University Hospital (personal interview, February 26, 2013): *'We have a heart team, we do heart surgeries. There are 3 hospitals in Cebu with heart centres, but ours is the only with our own surgical team. Perpetual borrows their team from Manila, it becomes expensive, and they will not come here unless there are 3 patients lined up. If you need an emergency heart surgery you will die at the other hospitals...'* However those are of course the emergency services, for the medical tourists in general their procedures and check-ups are planned and prepared in advance.

### **5.3.1 NURSE EXPERIENCES WITH MEDICAL TOURISM**

With most of the interviewed professionals being merely positive about the economic effects from medical tourism development, it was decided to interview nurses, working in both the private hospitals involved in medical tourism and the biggest public hospital in Cebu, which is not directly involved in medical tourism to look into their opinions and experiences with this new market. As was pointed out by Rene Solis (personal interview, March 11, 2013): *'The biggest beneficiaries from a successful Cebu Health and Wellness sector are the doctors, dentists, nurses and other health practitioners of this sector. There is still an on-going "brain drain" in this group of professionals and having an economically viable medical tourism alternative in the Philippines will be a big help in stemming the tide of outgoing medical/dental professionals'*. However, the results from the structured interviews with the different nurses show that not all are sure about the effects or even familiar with medical tourism.

In total, 27 nurses participated in those structured interviews/surveys, however, in the following results nurses of Perpetual Succour Hospital have not been integrated, due to hospital restrictions.

The following results will thus only apply to the nurses that filled in the survey in Chong Hua Hospital, Cebu Doctor’s University Hospital, Sacred Heart Hospital and Vicente Sotto Memorial Hospital. Of all participants, 11 are male and 16 are female. Most nurses (11) are between 18-25 years old, 10 nurses are between 26-35, 3 nurses are between 36-45, 2 nurses between 46-55 and only one is 56+ as can be seen in table 1.

Table 3: *Characteristics interviewed nurses at the different hospitals*

Place interviewed	Number of nurses	Gender	Age
<b>Chong Hua Hospital</b>	7	Male: 3 Female: 4	18-25: 3
			26-35: 1
			36-45: 3
			46-55: 0
			56+: 0
<b>Cebu Doctor’s University Hospital</b>	9	Male: 3 Female: 6	18-25: 5
			26-35: 4
			36-45: 0
			46-55: 0
			56+: 0
<b>Sacred Heart Hospital</b>	7	Male: 4 Female: 3	18-25: 2
			26-35: 5
			36-45: 0
			46-55: 0
			56+: 0
<b>Vicente Sotto Memorial Hospital</b>	4	Male: 1 Female: 3	18-25: 1
			26-35: 0
			36-45: 0
			46-55: 2
			56+: 1

It is interesting to find out that the nurses working in public hospital, Vicente Sotto Memorial, receive in general a much higher income than the nurses in the other (private) hospitals. All nurses in the public hospital that were interviewed earn above P25.000 monthly, where in the



private hospitals no one was interviewed that earned above P15.000 a month. However, 3 out of 4 of the interviewed nurses at Vicente Sotto Memorial were above 45 and therefore the income might have been related to that. On the other hand, one of the nurses was between 18-25 and stated to also earn P25.000+. In general this is in line with earlier obtained information from licenced nurse Cristian Jude (personal interview February 21, 2013) who also stressed the income differences between public and private hospitals in favour of the public hospitals.

Surprisingly from the 27 interviewed nurses, only 16 said to have knowledge about medical tourism. As much as 15 nurses say to have never been in contact with medical tourists. Only 5 nurses say that they have been in contact with medical tourists through their current job and 7 say to have been in contact with them outside their job. From the 5 that have been into contact with medical tourists, 2 work at Chong Hua, 2 at Cebu Doc and 1 at Vicente Sotto Memorial. It is interesting that also in the public hospital one of the interviewed nurses has been in contact with medical tourism. In this particular case she assisted at a kidney transplant. This patient did not book a package tour but just proceeded to the hospital for his transplant. The tourist was Japanese. Further information about this was confidential and therefore she could not anticipate on this further.

Even though both Chong Hua and Cebu Doctors University Hospital are involved in medical tourism and both claim to receive between 50-90 medical tourists monthly, most of their medical staff is not familiar with medical tourism or has ever been in touch with it. This definitely sets some question marks about how serious the hospitals are in promoting and educating their medical staff about medical tourism.

On the question if the nurses would want to work in medical tourism, 19 answered 'yes' and 8 answered 'no'. The main reasons to work in medical tourism were named as 'more income and employment opportunities' and 'personal growth'. 6 of the nurses did not know in what way medical tourism could benefit them personally.

To conclude, it was very interesting to find out that in the participating hospitals, only 5 nurses say to have been involved in medical tourism through their jobs and 15 say never have been into contact with medical tourism in any way. This indicates that the 50-90 medical tourists that come in every month at the different private hospitals, are being treated either very isolated, in very particular areas, are not known as medical tourists or are maybe just non-existent. This strange situation could be explained by the fact that Balikbayans are also

considered medical tourists now by the Cebu Health and Wellness Council. However, the fact that nurses in the involved hospitals are not even aware of the medical tourism market does say a lot about the quantity and seriousness of this upcoming market. It is safe to conclude that medical tourism in Cebu is still incredibly small, even with the (high) estimations of the involved hospitals, even though the scarce statistics that are available let us believe otherwise sometimes.

#### **5.4 NEGATIVE EFFECTS**

Even though it can be concluded that medical tourism in Cebu is actually still too small to really measure its outcomes and effects on the local populations and local development, some concerns regarding social negative effects were found. As became clear from the literature study, the emergence of an illegal organ market is one of the main concerns that can come with the development of medical tourism. As Cohen (2011) and Connel (2005) point out, medical tourism has the potential to weaken the stability, quality and accessibility of the local health care system and can widen the gap between rich and poor. However, almost all interviewed professionals disagree with this. Out of the 23 interviewed professionals, 20 disagree with Cohen and Connel and stress out that medical tourism will not affect the accessibility or quality in a negative way. They stress the opportunities for local healthcare to improve in quality, because of the required knowledge and quality the private hospitals will need to engage in medical tourism. This knowledge will eventually flow back towards the public hospitals and therefore also benefit the local population. Nelia Navarro (personal interview, February 27, 2013), director of Department of Trade and Industry states; *'For me personally this is the biggest benefit from medical tourism, the increase in accessibility and quality to high-end health care for the local population'*. However, Ms. Mijares, medical director of Sacred Heart Hospital (personal interview March 26, 2013) disagrees with her fellow colleagues on this issue. Despite being a plastic surgeon by profession, she can't seem to accept the fact that Cebu is welcoming rich foreigners into its hospitals, while locals are dying because the waiting times are too long, beds are full and medical personal is too busy. However, she is not permanently against the development of medical tourism, but she feels the need for the government to first prioritize on its own people and get the medical insurances in order, before focussing on making money from foreign medical tourists. Ms. Mijares (March 26, 2013): *'In general I am not against medical tourism, just don't develop it here in the Philippines... Yet.'*

Concerning the alleged shift in employees from the public to the private health sector, the structured interviews with the 27 nurses, show that this shift is not very likely to occur. In the first place, income in the public health sector seems to be higher in comparison with the income in the private sector. Which was also stressed by Cristian Jude (personal interview, February 21, 2013), who is a registered nurse and has both worked in the private and public hospitals. However, it can provide interesting opportunities to expand knowledge and personal growth. This is the number one reason that nurses emphasized about being interested in working in medical tourism. According to the Department of Trade and Industry in 2009, 109,709 Filipino's were working within medical tourism related private health facilities, including private hospitals, clinics and spas. However, those numbers are for the whole of the Philippines, since there are no statistics on this for Cebu alone. At the same time, Mr. Oscar Tuason stresses that every hospital is connected to a particular college or university and therefore, those graduates are mostly ending up in those hospitals. It is therefore also difficult for non-Cebu Doctors University graduates to get employed in the hospital.

For the organ related concerns, as Rene Solis (personal interview, March 11, 2013) points out, as soon as the increased focus on medical tourism was implemented, all organ related donations were stopped by the three tertiary hospitals involved. New regulations by the DOH are now restricting any organ donations by non-family members for foreigners (Josie An Dannes, personal interview, March 28, 2013). This is thus a positive result from the development of medical tourism. There is more oversight and regulations in this market now. Even medical chief, Dr. Aquino (personal interview, April 11, 2013), at public hospital Vicente Sotto Memorial, which is not in any way involved in medical tourism, stresses to have received tens of foreigners who received kidney transplants in his hospital some years ago. He stresses the positive side of this, because of the income this generated for his hospital and the possibilities this brought to help the poor patients who did not had the financial capabilities themselves. Also, he stressed, for every foreigner who received a kidney transplant in his hospital, a local would receive a free kidney transplant, paid for by the revenues from the medical tourist. However, kidney transplants did come from impoverished inhabitants, and therefore Dr. Aquino agrees with the new regulations implemented by the DOH. Johnston's (2010) argues about the potential in improving infrastructure and set a certain standard of quality in healthcare. On this point Ms. Mijares, medical chief of Sacred Heart hospital has to agree. She does point out the increase in standards and quality services in the public hospital, especially Vicente Sotto Memorial Hospital that took place over the last year. However, responsible for this is mostly the Department of Health and not medical

tourism in her opinion. Ms. Josie An Dannes from the Department of Health stresses however that medical tourism is definitely stimulating the improvement of local health care provision: *‘The development of medical tourism involves world class healthcare services delivery, quality standard systems, international accreditation and qualification, economic sustainability and development of human resources that every local Filipino patient will have access to this advanced/quality healthcare. Health facilities and healthcare providers and professionals ensure to provide and sustain quality and globally competitive services. It increases the competitiveness of Philippine healthcare institutions, capacitates the healthcare providers/professionals and develops private-public linkages in order to continually provide quality health services for the local Filipino.’*

To conclude, it can be said that overall, most of the interviewed professionals are not in agreement with the critical notes of Cohen, Connel and Johnston but do stress the importance of the organ-transplant restrictions that were implemented by the DOH.

## **5.5 SUSTAINABILITY**

According to Littig & Griebler (2005), work is a very central requisite for sustainability, since it will bring satisfaction and self-fulfilment. As the World Development Report 2013 states: *‘Jobs are the cornerstone of economic and social development. Development happens through jobs’*. In terms of job generation, medical tourism is not contributing significantly in Cebu yet. With no reliable statistics that show that medical tourism is really contributing towards more direct employment, but with estimations from both de National economic and Development Authority about indirect employment within mainly the construction and BPO sector, it can’t yet be called sustainable. With between 50-80 foreign visitors a month per private hospital (CHWC, personal interview, February 26, 2013), which is not even statistically proven or seen back in the sale of the packages tours by Travelvision, the medical tourism market in Cebu can’t yet be seen as a very sustainable way to generate revenues.

## CHAPTER 6 CONCLUSIONS & RECOMMENDATIONS

Since the formation of the Cebu Health and Wellness Council in Cebu in 2008, medical tourism has been a growing market. With the three private hospitals estimating medical tourist arrivals of 50-90 a month, compared to 0 to some a couple of years ago, it can be considered as a growing market. However, some interesting findings were done during the research. One of the main issues in this market is the lack of reliable and recent statistics on medical tourists' arrivals, the main target market, the main procedures booked and the value chain of the medical tourism revenues. As of now, like Judilyn Quaichon of the Department of Tourism also stresses, this is one of the main deficits that stands in the way of medical tourism as a reliable and revenue earning market. Having the statistics and the knowledge about who the medical tourists is, where he/she goes and how they spend their money are highly important and valuable to be able to profit and adapt the strategies to maximize profits. Since the shift from Europeans as the main target market towards the Balikbayans, the Department of Tourism sees a lack of effort from the private hospitals to actively engage and promote medical tourism. It is expected that this is due to the fact that the Balikbayan market is an easy and steady market, which results in the neglect of taking real efforts to attract other foreign medical tourists. This together with the findings that only 5 out of 27 interviewed nurses have even been in contact with a medical tourist and the fact that only 5 medical tourism packages have been sold the last years, it can be concluded that medical tourism in Cebu is not even near to being a competitor of developed markets in Manila, Thailand or other Asian countries. However, with a steady flow of around 1.2 million Balikbayans visiting Cebu every year, the question is whether Cebu really needs to put effort in reaching the European, East-Asian or American markets, with this easy and steady market provided.

Looking at the links found between literature and the field, it can be concluded that the Cebuano medical tourism market can be seen as 'Utilitarian', this theory belongs to the Cosmopolitan theories and is in line with approaches of Sen and Nussbaum in addressing social welfare issues and emphasize in targeting the poor society. Cebu can be seen as such a market, because there have been multiple initiatives from both the DOT and DOH to address social issues and making sure the poor communities are not marginalized, but benefit from medical tourism developed through insurance, free surgeries and protection surrounding organ transplants. Also, as Turner (2008) is stressing, a country can only really benefit from medical tourism when the government forms public-private partnerships and excludes all organ-

transplants from medical tourism to protect the poor communities. The department of health is really putting efforts towards restricting organ-transplants from medical tourism services. However, the market is showing different signals, where even in the public hospitals foreigners have been availing of services surrounding (illegal) organ transplants.

As Johnston et al. (2010), Cohen (2011) and Connel (2005) all point out is the danger of medical tourism weakening the stability, accessibility and quality of local healthcare. It can be concluded that in Cebu this is only partly true in the current market. First it is argued that medical tourism can be seen as a user of public resources, including consuming large amounts of public resources such as health care. From the field work and the interviews conducted amongst the 23 professionals, 20 disagree with this statement and even believe that medical tourism can eventually benefit the local population by flowing back towards the public hospitals with quality increase and standards they have to meet in order to be able to keep competing with the private hospitals.

On the other hand, Johnston et al. (2010) stresses the possibilities of medical tourism to offer solutions to local problems, like infrastructure deficits for the local population and it can set a certain standard in health care quality, which results in a Western-oriented standard of care. Those arguments can actually be seen in Cebu, according to the interviewed professionals. Mr. Efren Carreon, points out towards the economic activities, rise in people's salaries and employment opportunities that medical tourism is already creating. However, he was not able to back up his arguments with statistics or proof, so we can only see his opinion as a sign towards positive effects. What he does point out also are the investments in local infrastructure, which are very visible. Investments in the expansion of international airports and seaports are best linkable towards medical tourism development, but can however also not be proven as a direct result of the medical tourism development. Also the certain standard in healthcare is seen by almost all interview professionals, who argue that medical tourism does bring quality increase for the local healthcare system. Again, this is hard to prove without any statistical data or reports who argue for this. However, the people who work in the public hospitals and even the DOH does argue in favour of medical tourism and are convinced of its positive effects on quality.

However, looking at the current socio-economic effects that derive from medical tourism development in Cebu, those can still be seen as very minimal. With only one tour operator

involved, and only the big, mainly international hotel chains receiving the medical tourists, it is only a select group that is profiting from the medical tourists. However, as most professionals in the market stress, there are a lot of ‘unseen’ beneficiaries, like taxi-drivers, construction workers, restaurants etc. But looking towards the central question: *‘What are the effects on local development from the development of medical tourism in Cebu and how can the local population benefit from the development of medical tourism in a sustainable way?’*, it can be concluded that at this moment, direct effects from medical tourism are not really reaching the local population yet. With a lack of insight into its own market, the Cebu health and Wellness Council, including the Department of Tourism and the Department of Trade and Industry, is lacking the potential of really making Cebu profit from medical tourists. This could however be realized in the future, by including more tour operators, local hotels and restaurants and creating more spin-off effects towards the local population by making use of local tour guides and local personnel. As of now, real benefitting socio-economic effects from medical tourism for the local population are not that different or value-adding compared to ‘general’ tourism.

What also has become clear is a difference in perception about the desired outcomes from medical tourism and how the local Cebuano can benefit. In the current market, the government is not involved enough to really be able to limit and restrict the negative effects that could occur from medical tourism development. To follow up on Chanda’s (2002) argument about the importance of government support and investments in order to create a successful and sustainable medical tourism market, it can be said that Cebu is currently not able to offer stable and sustainable possibilities that are a direct effect from medical tourism development.

However, the potential is absolutely there and perhaps in the future, with the right strategies and promotion, medical tourism in Cebu can really push the economy including social benefits and opportunities for the local population in a sustainable way. Right now, sustainability in this market is hard to prove, since it is unknown how fast this market will grow and how this will be managed, since currently it seems to be not taken very seriously by the involved stakeholders.

## RECOMMENDATIONS

After having researched this new emerging market and gaining insight into the stakeholders involved, some recommendations come to mind, especially after discovering the lack in statistics and monitoring in this market. The first recommendation that will be done is therefore to invest in a mechanism to collect and monitor the medical tourism arrivals, time spend in Cebu and spending patterns. This will provide the opportunity to really research the benefits and possible negative effects that can occur in this market. Not only will this provide better research possibilities, this will also provide better insight and opportunities to reach the most viable target group for the Cebu Health and Wellness Council in order to benefit from those developments to the fullest. The second recommendation is to focus more on dental tourism, in combination with spa and wellness medical tourists. This market is easy-accessible and is in line with current developments in the Western world, where waiting lists and insurances become longer and more expensive. Other benefits are the short recovery time, the overflow of quality dental clinics in Cebu and the large group of Balikbayans coming back to Cebu every year to get (light) medical and dental procedures done. Whether the Balikbayan market can however really be seen as a 'medical tourism development market' and also benefit the local population and local development is the questions now. For this further research into this potentially enormous market is needed and required now by the CHWC.



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## FIGURES

- **Figure 1:** *Map medical tourism and its stakeholders*. Source: Caballero-Danell & Mugomba (2007) as cited in Heung et al., (2010). *A Conceptual Model of Medical Tourism: Implications for Future Research*. Journal of Travel & Tourism Marketing, 27:236–251, 2010. Copyright © Taylor & Francis Group, LLC.
- **Figure 2:** *Motivations of medical tourists*. Source: Ye et al., (2008). as cited in Heung et al., (2010). *A Conceptual Model of Medical Tourism: Implications for Future Research*. Journal of Travel & Tourism Marketing, 27:236–251, 2010. Copyright © Taylor & Francis Group, LLC.
- **Figure 3:** *Map of the Philippines*. Source: Accessed February 26<sup>th</sup> 2013 from: [http://www.google.nl/search?hl=nl&site=img&tbn=isch&source=hp&biw=1322&bih=614&q=map+philippines&oq=map+philippines&gs\\_l=img.3..0j0i24l2.1462.3580.0.3723.15.11.0.3.3.2.387.1260.3j2j1.8.0...0.0...1ac.1.6.img.1EQ\\_6c11pzo#imgrc=9M1NnIgBvOiMuM%3A%3BYLHXz803tXzONM%3Bhttp%253A%252F%252Ffold.wordtravels.com%252Fimages%252Fmap%252Fphilippines\\_map.jpg%3Bhttp%253A%252F%252Ffold.wordtravels.com%252Ftravelguide%252FCountries%252Fphilippines%252Fmap%3B354%3B650](http://www.google.nl/search?hl=nl&site=img&tbn=isch&source=hp&biw=1322&bih=614&q=map+philippines&oq=map+philippines&gs_l=img.3..0j0i24l2.1462.3580.0.3723.15.11.0.3.3.2.387.1260.3j2j1.8.0...0.0...1ac.1.6.img.1EQ_6c11pzo#imgrc=9M1NnIgBvOiMuM%3A%3BYLHXz803tXzONM%3Bhttp%253A%252F%252Ffold.wordtravels.com%252Fimages%252Fmap%252Fphilippines_map.jpg%3Bhttp%253A%252F%252Ffold.wordtravels.com%252Ftravelguide%252FCountries%252Fphilippines%252Fmap%3B354%3B650)
- **Figure 4:** *Map of Cebu*. Source: Accessed February 20<sup>th</sup> 2013 from: [http://www.google.nl/search?hl=nl&q=map+cebu&bav=on.2,or.r\\_qf.&biw=1366&bih=622&um=1&ie=UTF8&tbn=isch&source=og&sa=N&tab=wi&ei=2WdiUeaNIYe8rAf79ICwCw#imgrc=5Kle80TYntwhVM%3A%3BjOHjuKV48Xs6WM%3Bhttp%253A%252F%252Fwww.visionarygfx.com%252Fimages%252Fcebu.jpg%3Bhttp%253A%252F%252Fwww.visionary-gfx.com%252Fuberargao.htm%3B773%3B1709](http://www.google.nl/search?hl=nl&q=map+cebu&bav=on.2,or.r_qf.&biw=1366&bih=622&um=1&ie=UTF8&tbn=isch&source=og&sa=N&tab=wi&ei=2WdiUeaNIYe8rAf79ICwCw#imgrc=5Kle80TYntwhVM%3A%3BjOHjuKV48Xs6WM%3Bhttp%253A%252F%252Fwww.visionarygfx.com%252Fimages%252Fcebu.jpg%3Bhttp%253A%252F%252Fwww.visionary-gfx.com%252Fuberargao.htm%3B773%3B1709)
- **Figure 5:** *Osmeña boulevard in 1912*. Source: Kishiue et al., (2003). *The transformation of Cebu City through the development of its transportation*

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- **Figure 6:** *Conceptual model of the development of medical tourism in Cebu*. Source: researcher
- **Figure 7:** Mixed methods. Source: researcher

## TABLES

- **Table 1;** *Comparative medical costs for medical tourists in different countries*. Source: Mattoo and Rathindran, Does Health Insurance Impede Trade in Health Care Services? (July 2005) as cited in Porter et al., 2008.
- **Table 2;** *Cebu's tourism market*. Source: fieldwork.
- **Table 3:** *Characteristics interviewed nurses at the different hospitals*. Source: fieldwork.

## GRAPHS

- **Graph 1;** *Expected medical expenditure of the American medical tourist*. Source: Deloitte (2008). *Medical Tourism; Consumers in Search of Value*. Accessed April 8<sup>th</sup> 2013 from: [http://www.deloitte.com/assets/Dcom-unitedStates/Local%20Assets/Documents/us\\_chs\\_MedicalTourismStudy\(3\).pdf](http://www.deloitte.com/assets/Dcom-unitedStates/Local%20Assets/Documents/us_chs_MedicalTourismStudy(3).pdf).

## APPENDIX 1

<b>Interviewee</b>	<b>Company/Function</b>	<b>Date</b>
Ms. Judilyn Quaichon	Department of Tourism; Medical tourism sales	April 2 <sup>nd</sup> 2013
Ms. Renelyn P. Villegas	Department of Tourism; Planning and statistics department	April 2 <sup>nd</sup> 2013
Ms. Nelia Navarro Ms. Marilyn Tancinco	Department of Trade and Industry; Provincial Director	February 27 <sup>th</sup> 2013 March 26 <sup>th</sup> 2013
Dr. Josie An Daness	Department of Health; Spokesperson international affairs	March 28 <sup>th</sup> 2013
Maria Nancy Z.. Abad	Department of Labour and Employment	April 17 <sup>th</sup> 2013
Ms. Karisma Agraviador	Phil health; Public Relations Officer	April 16 <sup>th</sup> 2013
Mr. Efren Carreon	National Economic and Development Authority; regional director	April 18 <sup>th</sup> 2013
Mr. Oscar Tuason Dr. Susan Valmayor Ms. Gemma Baz Ms. Joy Panopio Dr. Josie Ann Danes Ms. Jenny Franco Ms. Nelia Navarro Ms. Marilyn Tancinco	Cebu Health And Wellness Council Meeting; council members	February 27 <sup>th</sup> 2013
Ms. Heideliza Batausa	Cebu Doctors University; Professor in economics	February 26 <sup>th</sup> 2013
Mr. Oscar Tuason	Cebu Doctors University Hospital; Medical	February 26 <sup>th</sup> 2013



	administrator	
Dr. Gerry Galon	Chong Hua Hospital	March 18 <sup>th</sup> 2013
Ms. Joy Panopio	Perpetual Succour Hospital	March 18 <sup>th</sup> 2013
Ms. Mirela Mijares Ms. Kirsten Aznar Fermo Ms Myrna Danuco	Sacred Heart Hospital; Medical administrator, Head Nurse, nurse at reproductive health unit	March 26 <sup>th</sup> 2013
Dr. Aquino	Vicente Sotto Memorial Hospital; Medical administrator	April 11 <sup>th</sup> 2013
Anonymous	Cebu City Health Department	March 19 <sup>th</sup> 2013
Ms. Gemma Baz	Marco Polo hotel; Assistant Director of sales	March 13 <sup>th</sup> 2013
Dr. J.G Empases	Philippine Nurse Association; President of Cebu Department	March 19 <sup>th</sup> 2013
Ms. Kaira Zoe	Founder of NGO 'A2Dproject'	February 25 <sup>th</sup> 2013
Dr. Clarissa Jane Pe.	Owner and practitioner at private dental clinic	April 11 <sup>th</sup> 2013
Mr. Marc Daubenbuecel	Philippine Retirement and Health Coalition; director	April 25 <sup>th</sup> 2013
Ms. Elizabeth Remedio	University of San Carlos; Head of Research department	March 11 <sup>th</sup> 2013
Mr. Cristian Jude	International Alliance of midwives & a registered Nurse	February 21 <sup>st</sup> 2013
Mr. Renato B. Solis	Measure Up Enterprise Consulting; Business owner	March 11 <sup>th</sup> 2013
Ms. Jenny Franco	Travelvision; medical tourism manager	February 27 <sup>th</sup> 2013
Manager Travelvision	Travelvision: manager	April 19 <sup>th</sup> 2013

Mr. Wouter Put	Medical tourist	April 19 <sup>n</sup> 2013
4 nurses	Chong Hua hospital	April 2 <sup>nd</sup> 2013
7 nurses	Sacred Heart hospital	March 26 <sup>th</sup> 2013
4 nurses	Perpetual Succour hospital	
9 nurses	Cebu Doctors University hospital	March 29 <sup>th</sup> 2013
4 nurses	Vicente Sotto Memorial hospital	April 5 <sup>th</sup> 2013