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HEALTH CARE: OUTLOOK 2005

Go for quality to draw foreign patients

Marketing can only go so far in attracting region's affluent, it says

By JEAN CHUA

[SINGAPORE] A research study has one pointed message for Singapore's healthcare industry if it wants to be a serious regional player.

Make sure that Singapore has some of the best healthcare services and medical research in the world — because marketing and promotions can only go so far in attracting foreign patients.

The research, conducted by Synovate Business Consulting for the Singapore Tourism Board (STB), found that affluent patients — those the government and hospitals hope to attract — generally don't consider distance or price when seeking treatment.

They go, instead, for what are known as "gold standard" destinations where they know they can be assured of top-quality care.

"If you need a liver transplant, do you go to Thailand or Singapore? Generally, if it's something life and death you want to make sure you get out of the surgery alive," says Damien Duhamel, Clearstate director of business consulting for Asia-Pacific.

In October 2003, the Singapore government launched the SingaporeMedicine initiative, guided by STB, the Economic Development Board and trade promotion agency International Enterprise Singapore. Their job, respectively, is to generate demand overseas, develop new capabilities in the industry and help healthcare players expand regionally.

According to STB, Singapore had about 230,000 medical visitors last year —

How much, doc?

Approximate price comparisons with Singapore charges (% difference)

MEDICAL PROCEDURE	MSIA	THAILAND	HK	AUST	US	UK
Lasik (one eye plus consultation)	-55	-50	0	0	+40	+80
Heart bypass surgery	-15	-17	+20	+70	+130	+180
Liver transplant	-50	-75	-220	-10	+20	+100
Health screening (basic package)	-100	-13	+140	+30	+250	+500
Knee replacement (one knee)	-34	-20	-20	+50	+40	+80
Laparoscopy (one session diagnosis)	-40	-20	-40	+80	+55	+30
Coronary angiogram	-45	-50	-16	+30	-14	+45
Botox	-200	+30	+60	0	+36	na
Caesarean child delivery	-70	-70	+40	+40	+120	+50
CT scan	-100	0	+25	0	+40	na
Dental (one crown)	-100	-170	+200	+50	+40	+600

almost 9 per cent more than in 2002, despite the Sars outbreak. The government hopes to bring in one million foreign patients by 2012, and a government study showed this target could potentially generate \$1.5 billion in expenditure and add about one per cent

to Singapore's gross domestic product.

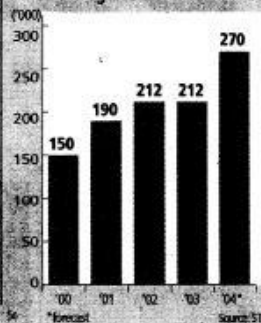
In 2001, there were 190,000 foreigners who came to Singapore for medical treatment.

STB says there are no figures yet for this year, but estimates that there will have been 270,000 for-

foreign patients by December.

Part of the strategy is to emulate research clusters in the American cities such as New York, Baltimore, Philadelphia and Cleveland by building Singapore's Biopolis, designed to encourage collaboration across genomics, nanotech-

Number of visitors seeking medical treatment



A spokesperson for Raffles Hospital, where foreign patients make up 30 per cent of the total, says these patients go to Raffles mainly for health screening, obstetrics and gynaecology, orthopaedics, cardiology and aesthetics treatments. In line with government figures, 7 out of 10 foreign patients are from Indonesia. 15 per cent are from the US and Britain.

Singapore's largest private healthcare company, Parkway Holdings, which claims a 60 per cent market share of the private healthcare sector here, says organ transplants, cancer treatment and hip replacement are among the popular complex procedures that foreign patients seek.

About 30 per cent of its patients are foreigners or people with overseas addresses. Parkway, which runs the Mount Elizabeth, Gleneagles and East Shore hospitals, has about 40 re-

ferral offices and marketers in more than 10 countries, including the Philippines and Bangladesh.

Clearstate's Mr Duhamel says collaboration of the private and public sectors in Singapore could go a long way towards ensuring that Singapore get its share of regional — and global — patients. Thailand's medical tourism industry is very much led by the private sector, as is the case in Britain, Australia and the US. Malaysia's development is led by the government.

"The hospitals we have spoken to would very much like the government to do more to promote them, and let foreign patients know that they provide some of the best and most sophisticated health services in the world," Mr Duhamel says. "Bringing in renowned institutes and specialists also will give Singapore's medical industry a great boost."