Domestic Medical Tourism, Medical Destinations, and Centers of Excellence

A Contracting Perspective

"Five-Star Health Care and Three-Star Hotels"

All patients travel to some extent for medical care, even in a local situation as they go from site to site for diagnostics, therapy, and specialty services. This monograph addresses the distance factors in medical care, how patients may perceive these factors, and how self-funded employers, insurers, and other payers might include distance considerations in the purchasing equation.

Definitions

Remote medicine implies an access issue, and it means simply traveling for some service that is not available locally. It is simply remote to the location of the patient. No real choice is involved. Examples include Alaska and the Upper Peninsula of Michigan where, in both cases, everything is remote. Travel for medical care is an implied necessity.

Remote medical support care is the provision of care by a provider that is not local, but distant, with the patient staying in one spot. This might include services provided through telemedicine, reading, and oversight provided by a medical provider that is not a member of the local medical community. One might think of an overread by a remote cardiologist or a radiologist on a medical test of some kind. Another example would be the remote diagnosis of a skin disease by a dermatologist in a medical center supporting community-based primary care physicians.

Medical tourism is the combination of travel for some other purpose than simply seeking medical care. Tourism implies travel for pleasure, and this may be combined with medical care as an option that is related and specific to a destination. Getting a cataract removed while taking the grandchildren to Disney World would be categorized as medical tourism if the two events were in some way linked. Certainly, international medical tourism implies that there is a factor of a positive travel experience linked with the care that is available. Medical travel sites tout the quality of the hotels and the attractions almost as much as they promote the quality of the medical care.

Destination medicine is the choice of a location for the single purpose of accessing services at a location that is remote to the patient for a purpose other than simply accessing services that are not available locally. Why might one consider a different destination for care? The reason may be to seek certain aspects of quality or value that are superior when compared to the same services available in the local environment.

Centers of excellence are designated sources of care that have been predetermined by a payer or an intermediary as uniquely able to offer some kind of service or treatment that would not be available in every locale in which they provide coverage. Quality may be a determining factor as well as a pre-negotiated price for the medical service.

Travel medicine is a specialty of medicine that is specifically oriented to preventive aspects of care for people who travel internationally and who may be exposed to diseases that might not be found in their own local environment.

Medical travel is defined in some sources as transport of patients with medical support. It is included here simply to offer clarity and not to quibble about definitions. The international and interstate teams that supply air ambulance and other forms of specialized transportation are using the terms “medical travel” or “medical transport” interchangeably.

All of these categories are worthy of discussion, but only a couple are of interest to a person in charge of benefits planning for a working population and their dependents. The medical transport (medical travel) is something that is episodic and can be covered by insurance or simply addressed if the need ever arises for the long distance transport of an injured or seriously ill person. The travel medicine component is indicated only if the workforce is one that is subject to reassignment overseas or with frequent international travel. These terms were included merely to have all of the jargon defined as it might relate to traveling and health care.

In the other areas where care and travel overlap, there should be a significant interest that the payer or source of funding should consider, especially if there is a significant consumer-directed health care component to the benefit design. When the consumer pays part of the cost of secondary care, there is a real congruence of contracting processes and consumer satisfaction that benefits coordinators will want to manage.

Consumer Choice Factors

Why might a consumer wish to seek care from some destination that injects travel, and all that it implies, at a time when there is a medical concern?

1) Anonymity
2) Proven Quality
3) Perceived Quality
4) Access
5) Cost Considerations
6) Amenities

Among these choices, the issues of anonymity and access seem pretty straightforward. A consumer will travel to receive health care when they cannot get access locally. In many cases, it is not about being in a remote area, it is that the wait is simply too long. A joint replacement or bariatric surgery done now may be much more attractive, even if it entails travel, than one that is done locally and much later. On the issue of anonymity, the fact is that the consumer may have a condition they wish to have completely confidential even if it means they want to be in a different community. Their choice is based upon personal matters which might not fit the benefit plan design, but which are nonetheless important enough to have the patient opt for some caregiver from another area.

These are not binary choices. There are generally many factors to consider. Assuming that the quality of medical care is pretty much the same and that there is an equivalent price structure, one would assume that closer is better. Assuming that the care is the same distance and the quality is the same, one would assume that cheaper is better. However, when there is a difference (real or perceived) in quality, then cost and difference must be weighed differently and compared by consumers. The consumer who has a stake in paying for his/her own care through a consumer health savings account will be much more concerned because the cost is no longer a remote concept. The employer, if they can, will be concerned because distance is not only measured by direct cost, but by potential additional time off from the workplace and the danger that a lower cost of care might result in care that is lesser quality.

Centers of Excellence

This might already have been factored in by the third party administrator (TPA) if there is a pre-contracted network of Centers of Excellence (COE).[1] In the case of a pre-established network, patients will be encouraged to travel by the benefits design process. One assumes that there is a robust process for informing the patient of the benefits of using the network and for moving them from their community-based medical care to the specialty center and back.[2]

This type of a program is not to be confused with “medical tourism” or “destination medicine.” The question is whether further travel can bring value in some form to the patients and those who are responsible for plan design. Walmart, a leader in thinking about health care from a number of different angles has an arrangement for its one million (plus!) employees to receive care from the Cleveland Clinic, Geisinger, Mayo, and Virginia Mason (among others). When an employee is directed to go to one of these programs for advanced care, there is probably a sigh of relief rather than indignation. Simply put, these are some of the best health care providers in the country, and consumers know them by their brand.

[1] This is a term that has been coined by payers and intermediaries to define a group of prequalified medical enterprises for the provision of tertiary care or select procedures. The typical categories of care for consideration include transplants, advanced cancer care, and pediatric specialty care. The COEs are generally hospitals that are well-known to be effective in caring for the particular specialized needs of the patients and who have accepted some kind of predetermined case rate or bundled price. There is not any universal accreditation or certification for the term “Center of Excellence.”

[2] This is an assumption that is academic in that there is no universal truth. Maybe, this assumption should be more appropriately stated as “one would hope.”

Destination Health vs. Medical Tourism

If one assumes that the choice to travel is not related to guarding personal privacy or just getting care that is not available locally and if there is no real perceived advantage to a COE network, there might be a temptation to consider medical tourism. If the consumer is accessing the Internet or reading commonly available supermarket tabloids or airline magazines, the options will be pretty attractive.[3] However, the information is rather spotty and not really available in any kind of a format that is reliable or even remotely useful.

From an international perspective, when one reviews the selections in the International Medical Travel Journal (IMTJ) search engine,[4] the knowledgeable consumer will quickly determine that the web site is simply a consolidation site and that it is not in any way informative. There are any number of dead links and travel agencies that claim to be able to assure that travel is possible for all sorts of care choices. The site can be used to determine the providers in the United States that are offering specific care options, but the qualified providers are hidden among many that are not actually providers, and if they are, they're probably not qualified by any standard that is worth reporting.

Searching the Internet will quickly convince the consumer that the process is one that is not going to produce results. One might then ask, why not look for a quality provider and then see if they take patients from remote areas. This is actually getting to be a more realistic approach. If one has a problem, go out and get the best cure for the disease from the best providers. As long as one can assume that there is a way to judge "best," then the process is easy. The problem is that the best is an elusive concept.

Consider prostate surgery. Few people may have heard of the Vattikuti Urology Institute before Time magazine did a cover story on robotic surgery that identified its director, Dr. Mani Menon as "THE" leader in robotic-assisted, minimally-invasive surgery to remove the prostate. Prior to that article, the arguable leader was the physician who literally "wrote the book" on minimally-invasive, nerve-sparing surgery, Dr. Patrick Walsh of Johns Hopkins and the Brady Institute. Any patient who can surf the Internet will come up with a short list and with many algorithms relating to a process to determine not only whether surgery is indicated, but also how to search for and choose a surgeon.

This is, in this author's view, where domestic medical tourism and international medical tourism become unlinked. One must wonder how many patients are coming to the United States for this procedure versus the numbers that are being outsourced to other countries, and who is combining prostate surgery with a recreational safari or a wine tasting tour? I would argue that the answer to the first question is that no one is going overseas and many people are coming to surgeons like Walsh and Menon and that few men are using their prostate surgery dollars along with their vacation time to travel abroad.

[3] One of the most recent airline magazine articles that dealt with medical tourism was "Delta Sky" which offered an article entitled, "The Domestic Medical Tourist" by Eric Lucas.
[4] IMTJ bills itself as the "World Leading Journal for the Medical Travel Sector." It has an extensive search engine where one can match a type of treatment and a country in which it is offered.
http://www.imtj.com/welcome/

The question for the employer is "how can I help my beneficiaries," and the answer is to do the research and have the answers when they need them. If there is a need to coordinate benefit plans, travel, and access processes, get out in front of the process. Also, if (like in prostate surgery, bariatric surgery, joint replacement surgery, etc.) there is a program element, get it designed and in place.

There is really nothing new here. People have been traveling for ages to get what they perceive to be higher quality health care. Kellogg's was built on people traveling to Battle Creek to seek care from Dr. Kellogg, and Mayo has a brand that has existed for as long as Coca-Cola. The advent of HSAs, high deductible health plans, and care managers are driving choice along new lines. Pepsi has an arrangement with Johns Hopkins for joint replacements and for heart-related surgery already in place. Boeing directs its heart patients to the Cleveland Clinic, and Lowe's uses the Cleveland Clinic for its heart cases, spinal surgery, and chronic pain cases.

Final clarification – this is destination medicine and not domestic medical tourism. It is not focused on a travel experience but on an effective treatment. Some international programs masquerade as domestic, and the questions for an employer to ask are:

1) Can we use our benefits program to pay for the services?

2) Does my beneficiary need a passport to travel to this destination?

3) Are visas and currency exchanges involved?

4) Do I have to go through a travel broker?

5) Are the facility and the provider staff accredited by the same organizations that accredit and credential United States providers?

6) Do the same regulatory standards and laws apply?

If the answers are no, then you are in the "international" realm of care. If the answers are yes – the services are "domestic."

It Is All About Beneficiary Engagement

The table below represents a typical health care plan with surgeries and with a discount process in place for some kind of destination health program. The ratios are pretty straightforward, and they are representative of a couple of similar ideas on some of the medical tourism web sites. Essentially, the numbers reflect estimates of employee engagement at a ten percent level for cases that might be eligible for a "destination solution."

As the case below suggests, the real issue is the question of whether the employees can be engaged to have their operations in a locale that is distant and more cost-effective than just following the local referral networks. The answers may vary, but the issues revolve around quality, access, perception of quality, benefit design, and the intake process.

Total Health Care Costs		**$ 100,000,000**
Costs of Surgery	**30%**	**$ 30,000,000**
Surgeries Eligible	**30%**	**$ 9,000,000**
Patient Election of Network Option	**10%**	**$ 900,000**
Savings in Network	**25%**	**$ 225,000**

The employer, if they choose to embark upon a "medical tourism" solution, will find more acceptance if it is domestic, credible, brand-centered, and organized.

Questions:

1) Do we have an active or a passive medical management process?

2) Are we managing our own existing primary and secondary referral channels?

3) Do we have claims information to be able to determine where the benefits of tertiary contracting (domestic or international) might fit?

4) Can we intervene in order to advise and inform patients and beneficiaries?

5) Which procedures would be subject to our efforts?

6) Do we have any impact now on our COE programming? Is what we have working?

7) Can we design something that is unique and attractive for a meaningful number of employees?

8) Can we explain the value proposition to a medical center or a medical program that might enter into a contract with us?

9) Can we manage the remote end of the project at the primary care level?

10) Can we manage the remote end of the project on the functional level?


Destinations?
Cleveland Clinic
Texas Heart Institute
Johns Hopkins Medicine
The University of Chicago Medicine
University of Michigan Health System
Shouldice Hospital
Mayo Clinic
The University of Texas MD Anderson Cancer Center
Hospital for Special Surgery
NYU Langone Medical Center
Memorial Sloan-Kettering Cancer Center
The Best Cancer Care. Anywhere.