

This ICU is based on an analytic synthesis of about 140 articles which in the world press deal with the globalising competition of medical systems.

Through an insight on a reasoned selection of worldwide upcoming innovation drivers, we call attention to where convergent efforts from innovation 'movers and shakers' are heading for.

Key drivers

- Three areas are on top of the innovators' agenda:
 - *In the globalised knowledge-based economy, how will healthcare systems become key components of a country's competitive advantage?*
 - *Where will cellular technologies be*

- *implemented first for stem cell therapies, triggering the attraction of cutting-edge stem cell research ?*
- *How to embed in a user-bundle both site- and nation-wide attractive assets to establish them as a hub in the world public health system?*

Matching stakeholders' shifts

by Pierre Bitard and Alain Quévrenec, December 2009

- Components of a policy approach where funding the medical system translate into the health of the economy
 - **Emphasis on "inclusive growth"**, through public-private partnership, redirect and broaden the flows of globalization toward its intended beneficiaries: The excluded. Investment in healthcare as actions of sustainable growth, of diffusion of opportunities and good governance;
 - **Investments in healthcare triggers** a virtuous cycle: government healthcare expenditures, private domestic investment, life expectancy, increased standard of health among the general population
 - **Tourism as an eco-system oriented policy**, develop, leverage and promote the use of technology to foster tourism as a knowledge-based, tertiary industry for the economy

HEALTHCARE AS A COUNTRY'S SERVICE BRAND

STEM-CELL TECHNOLOGIES INSIDE

- Emergence & rapid progress of the stem cell industry i.e. stem cell research + experimental stem cell therapies: Asian countries (such as China, India, Malaysia and Singapore) and Israel are competing for global position
- Birth and expansion of "life sciences super-clusters" with mass concentration of life sciences assets, complementing each other:
 - researchers and **academic medical centres**, entrepreneurs, venture capitalists, and biotechnology, **medical device** and pharmaceutical companies
- In designing bundled services, innovation lies with open collaboration, direct interaction with customers and tighter integration
- The quality and value based economy pushes regional and national players to organise themselves to draw demanding users, through branding and structuring efforts, cf. the CBI (Country Brand Index, by FutureBrand)

"ALL INCLUSIVE"
diagnosis, travel, care, insurance and regional food

IDEAS FOR CHANGING EUROPE

A RESEARCHER'S THINKING

The Indian healthcare industry is growing at 12% annually and the business could contribute to 8% of GDP and generate 9 million employment opportunities by 2012. With that, it comes as no surprise that every major international medical equipment giant is lining up their investments for setting up a local base in India. India is now the most preferred destination in Asia for pharmaceutical outsourcing.

The Indian biotechnology market was worth \$1 billion in 2006. Medical tourism is expected to grow to a \$2 billion business by 2012, owing to its quality health services for less than half the price compared to other countries.

Frost & Sullivan's research

- **The market:** a 35 per cent a year by 2010 is foreseen, and, by 2012, it could account for more than 1.6m patients. In 2007, about 2.9 million people across the world travelled to Asian countries to receive healthcare services, spending about \$3.4 billion, or 13 percent of the global medical tourism market.

• **The industry:** consists of hospitals, clinics and health centres (e.g. "Bumrungrad Hospital" in Thailand, "Apollo Hospitals" in India), medical tourism intermediaries the founder of which could be PlanetHospital (funded in 2002), aviation companies (eg Lufthansa offers flights from Frankfurt to Pune in India), healthcare insurance providers and international healthcare accreditation institutions.

• **Health consumers/consumption** : Typical medical tourists are Indian expatriates in the US; typical treatments are heart surgery, knee surgery, cosmetic surgery and dental care.

A BUSINESSMAN'S INTEREST

We are very excited about the prospect of distributing Celle in Thailand and we believe that this opportunity is potentially quite significant. The Celle menstrual stem cell has many unique qualities that include both adult mesenchymal and embryonic stem cell markers which may position this proprietary technology as a compelling potential source for regenerative medicine and for future stem cell therapies.

The launch of our research collaboration with Cryo-Cell underscores S-Evans Biosciences commitment to development of this highly differentiated stem cell technology to potentially treat a broad range of disease.

Dr. Charlie Xiang, CEO of S-Evans Biosciences

GRIPS Intelligence Corner

A large and growing market – from the US to Asia (and back)

The KTO aims to foster awareness of the value of healthcare tourism in addition to building a one-stop system designed to offer assistance to foreign travellers who visit Korea for medical care. The goal is to enable Korea to grow into a leading player in the world's medical tourism industry by attracting over 100,000 medical tourists by 2012.

PRESIDENT LEE PRAISED THE NEW "MEDICAL TOURISM" VISAS

The "M" visas (as they are labelled in India) are issued for foreign patients who need a long-term stay to receive medical treatment in Korean hospitals. The process has been streamlined particularly to benefit Chinese medical tourists.

POLICY SUPPORT ON THE MOVE

SOUTH KOREA : TOURISM AS A POWERFUL ENGINE FOR GROWTH

TOURISM TO POWER KOREA'S ECONOMY

These days, many countries are interested in posing their respective tourism industries as an innovative leader of local and national economic development, and have focused their capability on the development of special tourist programs by way of combining traditional tourist products with other industries. Likewise, the Korea Tourism Organization (KTO) has undertaken plans to develop medical tourism as the next major growth engine.

A BIGGER KOREAN SHARE IN THE GLOBAL MEDICAL TOURISM MARKET

Figures show that the total revenue of the world's medical tourism industry in 2007 was \$26.7 billion and the total number of medical tourists was about 26 million. Figures also indicate that in 2007, about 2.9 million people across the world travelled to Asian countries to receive healthcare services, thereby spending about \$3.4 billion, or 13 percent of the global medical tourism market.

In countries such as Singapore and Thailand, medical tourism has long been promoted as a key strategic industry, which has resulted in remarkable success. In contrast, Korea has made little progress in the medical tourism sector, largely in part due to the various restrictions imposed by healthcare laws and regulations as well as a lack of overseas advertising and awareness of the benefits of the emerging industry.

Today, however, the Korean government clearly recognizes the industry's potential as a new growth engine where medical service is combined with tourism to create added value, and now offers generous programs and support to boost the industry. With an aim to best utilize the government's contributions, the KTO has established a goal to attract 30,000 medical tourists this year and concentrate on achieving it with the development of competitive medical tourism products in partnership with a related overseas network and leading healthcare institutions in Korea.