

Friday, February 22, 2008

Medical tourism hits Central Texas

Medtrava connects patients with India

Austin Business Journal - by Kate Harrington ABJ Staff



Brett Buchanan

Riley, her brother Sam and mother Nicki Zito spend an afternoon playing at Dell Children's Medical Center. Nicki and Riley plan to travel to India in the next few months to treat Riley's lymphangioma.

[View Larger](#)

Austin Business Journal - February 25, 2008

<http://austin.bizjournals.com/austin/stories/2008/02/25/story2.html>

Friday, February 22, 2008

Medical tourism hits Central Texas

Medtrava connects patients with India

Austin Business Journal - by Kate Harrington ABJ Staff

Poonam Dhawan already knew, on a conceptual level, that the health care system in the United States was broken before her mother was diagnosed with cancer three years ago.

But when the Austin resident with a high-tech background started to navigate among specialists, procedures and billing for her mother's treatment, she says she realized firsthand just how cost-prohibitive health care procedures can be.

"There has to be an alternative," was her mantra, and she set to work researching health care outside the United States. When she traveled to India and met with government officials and leading physicians, she had her "eureka" moment.

"I was absolutely amazed to see the facilities," she says. "They're investing a lot of money in all of this. The quality of the actual physicians, surgeons and nursing staff there is very high. In many ways, the technology is more current than it is in hospitals here, because they're investing now. I was totally blown away by it."

In early 2006, Dhawan founded the Medtrava Group, which coordinates the travel, transfer of medical records and booking of medical procedures in India --- from cardiac surgery to cosmetic surgery and Ayurvedic therapy --

for a total bill that she says is usually 50 percent to 80 percent less than the cost of the same procedures in the United States.

That total bill includes travel arrangements, flights, the medical procedure, communication with home doctors and family members and accommodation in hospitals typically affiliated with American institutions like the American Medical Association, Harvard University and Johns Hopkins University.

It's a concept many new customers find mind-boggling. Dhawan says one man who had to cancel a medical procedure in the United States because of its high cost started crying when he found out he could do the same procedure in India without refinancing his house to pay for it.

Those price differences come courtesy of the difference in labor costs, Dhawan says. In the United States, there are more layers of nurses, physicians' aides, insurance reps and technicians, whose time costs patients money.

While her mother was undergoing chemotherapy and needed injections to boost her white blood cell count, Dhawan says the price comparison between those shots was \$5,000 per injection in the United States compared with \$500 in India. For a facelift, another procedure popular with Medtrava clients, the price difference is, on average, \$15,000.

Dhawan says while the company has had to fight preconceptions from Americans about medical treatment in India, people who are fed up with prohibitive costs in the United States are increasingly willing to examine options that may have sounded outlandish only a few years ago. And, Dhawan emphasizes, Medtrava contracts with doctors here who constantly evaluate and assess the doctors, facilities and technology in India.

David Williams, co-founder of MedPharma Partners LLC and author of "Health Business Blog," says on his blog that small employers and smaller health plans will be the first to adopt medical tourism. He also predicts that opposition to medical tourism by U.S. physicians will be modest.

Dr. Robert C. Canby with Texas Cardiac Arrhythmia, a division of Texas Cardiovascular Consultants, says companies like Medtrava have started to come onto the medical scene in recent years, as health care and insurance costs skyrocket.

If companies can assure that the facilities and doctors patients are traveling to are of the highest quality, Canby says that he doesn't see the emergence of this new industry as a threat to the would-be patients' health. On the other hand, he says, it's often hard to find physicians in the United States willing to take on patients whose initial procedures were handled by a doctor overseas.

"I hate, as a citizen, that you can't provide health care to the people of the U.S., that like many other markets, it's best for people to leave the U.S.," Canby says. "I worry as a physician that people get good follow-up. I tend to inherit folks with devices that aren't optimally programmed or implanted properly, and it's hard to take care of those things ... and

you're trying to take care of something you didn't start on your own. It creates some uncertainty."

But for people like Nicki Zito, Medtrava's marketing manager and a client, the benefits outweigh the risks. Zito's 7-year-old daughter Riley has lymphangioma in her buttocks, and is often hospitalized because of infection, Zito says.

"She was hospitalized twice last August, and with full insurance, I paid \$9,000 that month," Zito says. "The MRI was \$6,500. Insurance covered most of it, but I still paid \$1,200...I wasn't getting procedures my daughter needed because my bill was so high."

Zito plans to travel to India in March, where an average MRI costs \$500.

"It's redefining a way a certain industry was," Dhawan says. "My own father came here to Houston for a quadruple bypass, and he came here because the treatment was available here and there were good doctors. Now it's reversed."

kharrington@bizjournals.com | (512) 494-2523

All contents of this site ? American City Business Journals Inc. All rights reserved.