



# CaliBaja Moving Forward Together CaliBaja Avanzando Juntos

## Takeaways from meeting “Medical tourism: challenges and opportunities”

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Medical tourism is one of the main reasons to cross the border into Mexico and it is one of the main sources of foreign exchange in Baja California. In 2021, 2.73 million patients and their companions traveled to Baja California to receive dental and medical treatment, having an overall economic impact of over 12.853 billion pesos. It is estimated that income from health and wellness tourism in Mexico exceeds 3.1 billion dollars. 70% of patients visiting the state are international. Services for international patients are mainly provided by private organizations and paid out of pocket.

According to a study by Deloitte, it is estimated that the value of the health tourism industry in Mexico will quadruple by 2030, with a trend growth rate of 10.7% yearly in 2019-2023 and a yearly increase of 13.3% in 2024-2030. It is also estimated that wellness tourism has increased 15% yearly on average between 2013 and 2018, and an annual growth of 9.1% is expected by 2023. Medical tourism has been an important driver of regional economic growth and integration, not only because of direct benefits from medical services, but because of its close relation with other priority industries such as biotechnology, medical devices, and tourism.

Some advantages for the industry of health and wellness tourism in Baja California are:

- Geographic location. Baja California is the main destination for patients from California and Arizona. The main destinations for medical tourism are Tijuana, Tecate, Rosarito, Ensenada, Mexicali and Los Algodones, a small town bordering Arizona and California dedicated to the provision of dental services.
- Cutting edge infrastructure. Baja California has the infrastructure and technology needed to provide high quality healthcare. It is considered North America’s capital of medical devices and it is their main exporter at the national level.
- Specialized and bilingual human capital. Baja California is the only place in the world with a healthcare system for U.S. citizens outside of the U.S.
- Variety in curative and wellness procedures and treatments. Available services have evolved to a comprehensive menu that includes most medical specialties and wellness treatments in various locations from pharmacies to specialty hospitals. The main medical services provided in the state include bariatric surgery, dental services, cardiology, oncology, plastic surgery, and more.
- Competitive prices. The Mexican government estimates that the prices for medical services in Mexico are between 36% and 89% cheaper than in the U.S. This difference is the main incentive for medical tourism. Prices in the U.S. are expected to keep increasing.



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- Cultural affinity. 70% of international patients in Mexico are Mexican or Latin American migrants living in the U.S. or Mexican Americans and other U.S. citizens who are familiar with the Mexican healthcare system.

Medical tourism in Baja California is on the forefront in reaching this industry’s potential at the border. Partnerships between services providers have allowed the organization of clusters and a diversified and comprehensive supply of services in both healthcare and tourism. For instance, the Medical, Dental and Hospital Cluster in Baja California was established in 2011.

Future challenges and opportunities for this industry in Baja California include:

- Continue improving service quality, especially in primary care and dental services since they are nearly half of the total demand of international patients. Increasing opportunities are expected in long-term care services given the aging U.S. population and that these services tend to be expensive and are not covered by Medicare. An increasing demand for abortions and related care is also expected given the recent decision by the U.S. Supreme Court to overturn Roe v. Wade.
- Reforming the legal framework to facilitate the administrative processes required to services providers, especially at the municipal level.
- Improve the mechanisms for providers to get an income for U.S. health insurance plans.
- Coordinate a joint strategy with key stakeholders in related sectors such as medical devices and tourism.
- Promote and diversify medical tourism services. In this sense, the state government has organized several visits to Canadian cities as part of their promotion efforts.
- Enable quicker border crossings at land ports of entry.
- Improve media representation of Baja California in terms of insecurity and service quality.

While medical tourism is a good option to get high quality, low cost, and culturally appropriate services, it is not available to all Mexicans in the U.S. due to economic and migration status constraints. To attend to the medical needs of these people, Mexican consulates in the U.S. and specialized partner organizations provide free guidance and services through the Ventanillas de Salud. In 2021, the Ventanilla de Salud in San Diego assisted nearly 3,683 people through the collaboration of 15 organizations from Tijuana. The main services provided were mammograms, HIV tests, vision screenings, flu vaccines, Pap smears, among others. As part of this program, COVID-19 tests are provided daily at the Cross Border Xpress and some consulates have served as COVID-19 vaccination centers.

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