



## **Written Statement to Ministers' Round Table**

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**Medical Tourism and Global Health Congress, Los Angeles, October 26th-28th, 2009**

Dear Madame President, Honourable Ministers, and Distinguished guests,

Thank you for the opportunity to attend this roundtable and inform you of the current initiatives the OECD is undertaking in the area of trade in health services.

The work of the OECD is to bring together the governments of countries committed to democracy and the market economy from around the world to:

- Support sustainable economic growth
- Raise living standards and increase employment
- Assist other countries' economic development
- Contribute to growth in world trade

Currently the OECD consists of 30 members but a process of enlargement and enhanced engagement and outreach is ongoing. An example of this is the health and social policy area is the OECD/Korea Policy centre which acts as a bridge for work in the South and East Asia region.

The Organisation helps countries compare policy experiences, seek answers to common problems, identify good practice and coordinate domestic and international policies.

The work on health is coordinated and mandated by the Health Committee consisting of high-level representatives from health ministries. The OECD works closely with member countries: our data and policy recommendations benefit from intensive contacts with national experts. We do not work in an ivory tower: our focus is on helping countries on a day-to-day

basis, as well as helping them to spot the big trends in health policy and to come up with strategies as to how to adapt.

One of the new trends that all countries are struggling to come to terms with is the rise of medical tourism. In order to have evidence-based policy, we need to develop data on the extent of trade in health services. Our health expenditure accounts provide internationally comparable measures of health spending, looking at the financing, provision and consumption of health services. What has brought medical tourism onto the radar screen is the realization that this is of increasing importance in areas of health provision with potential health policy issues; BUT an area with currently little or no information. In addition, European Union directives on clarifying patient mobility and the portability of public health insurance have heightened the need for monitoring and impact assessment. Trade in health services covers more than just medical or health tourism, although this is by far the greatest and potentially measureable part - it also covers cross-border trade (where e-health and ICT plays an important role) as well as regular tourist consumption, and covering other areas such as foreign investment and movement of health professionals - all with their own policy areas.

In practical terms, this initial 2-year project - over 2009-10 - aims to first clarify the many conceptual and definitional issues to ensure comparative data and identify methodologies and best practices in measuring and tracking trade in health services. Part of this is undertaking a series of case studies to identify possible data sources - these cover for example the US and Korea - for example working with our colleagues linked to the Ministry of Health and KHIDI - as well looking outside of the OECD - for example we have been in contact with the Ministry of Health in South Africa to look at the availability of information there. I would extend an invitation to other countries to cooperate in this part of the project.

As we see this cuts across other domains – we work closely OECD colleagues in areas of National Accounts – to improve Balance of Payments figures – the main source of information on medical tourism currently – colleagues working on Tourism Statistics to improve the possible reporting of data on tourist medical services as part of regular surveys and accounts and of course colleagues in the Trade area working to provide policy makers with tools to assess the impact of regulatory and trade reforms in services with a need for data and knowledge on trade flows.

Internationally, we are collaborating closely with colleagues at the European Commission and WHO Geneva working on Trade and Ethics and Health Accounts – including taking an active part in a workshop on these issues due to take place in Korea next April.

Granted, we are probably nearer the start than the final goal of having comprehensive information but we are making considerable progress with the help of national and international experts and look forward to coming back with authoritative information of medical tourism to help fuel the policy debates in this exciting and growing area.

Thank you.

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