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**CLUSTERING MEDICAL TOURISM IN ALGARVE: SETTING THE FIRST
STEPS FOR THE HEALTH AUTHORITY**

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A Project carried out on the Strategy major, under the supervision of:

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STEPS FOR THE HEALTH AUTHORITY***

Abstract

Medical Tourism is the new healthcare manager's sweetheart. A package of fertility treatments, cosmetic surgery, bariatric surgery and many other medical procedures, wrapped with low prices, beautiful landscapes, sunny beaches and high quality healthcare is making Medical Tourism a billion euro industry.

This work project aims to endow the Health Authority of Algarve with a set of first steps to build the foundations of a Medical Tourism cluster which will harness the tourism, and medical potential of the region and use them as a driver for social and economic development.

The development of such a cluster will allow to enhance the strengths of each stakeholder and to position the region of Algarve and Portugal as a competitive international player in this new venture of Medical Tourism.

Keywords: Algarve; Cluster; Medical Tourism; Health Authority.

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1. General Overview

1.1. Background

Traveling for the purpose of getting healthcare is facing a change in paradigm. The traditional international patient who travels from its developing country to a developed one searching for state-of-the-art medical centers is now finding a new type of tourist in airport cues, the medical tourist. Medical tourists are defined by Khan^[1] as "...a tourist who travels outside one's home country in search of healthcare that is either less expensive or more accessible." This work project aims at presenting a roadmap towards the inception and subsequent development of a Medical Tourism Cluster in the region of Algarve. Not surprisingly the deep involvement of both private and public stakeholders is one of the keys to success. Any healthcare provider interested in this new venture should align their service offering according to the geographic markets they are targeting and the cluster as a group is expected to promote and communicate the region and even the country both domestically and across borders.

Medical Tourism is an industry on the rise. Despite the lack of information concerning Portugal and even Europe in 2008 the consultancy firm Deloitte estimated the Medical Tourism world market to be valued at US\$60billion and growing up to US\$100billion in the following 2 years^[2]. Although there is no way to confidently validate this value it is commonly accepted by several authors that the market's growth potential is close to 25% per year in developing countries^[3]. In his article Johnson^[3] researched about the effects of Medical Tourism in destination and departure countries and two of the findings present "Medical Tourism as a Solution to Health System Problems" and

“Medical Tourism as a Revenue Generating Industry” both of them in destination countries. Adding to these effects it is worth to mention the mitigation of the seasonality effect on any given region that uses tourism as its main source of revenue.

Algarve is the Portuguese touristic region per excellence due to its natural resources, the high quality hotels, the wide restaurant offering, and the existence of an airport in the region. There is a particularity that should not be neglected. Because it is of hard replication and allows Algarve to be perceived as unique, the emotional attachment that the people of UK, Northern Ireland, and Germany have to the region of Algarve it should be considered a source of competitive advantage. This attachment was built over decades of high tourism inflows from these countries to the region and the ability of the people of Algarve to feel tourists welcome and appreciated.

Algarve is faced with the opportunity to set the ground for the development of a Medical Tourism cluster that would foster the economic and social development of the region through the attraction of new investments, new employment opportunities, more tourism and the ability to attract and retain more healthcare professionals. The roadmap suggested by us presents a set of recommendations focused on studying and defining our competitive positioning, communicating and promoting the cluster and finally regulating, controlling and evaluating the performance of all stakeholders.

1.2. Statement of the problem

Presently both the enormous tourism potential and the healthcare capabilities in the region of Algarve are not being used to capture a share of the remarkable economic opportunity presented by Medical Tourism.

Given this status quo the Health Authority, as an agent of paramount importance in any healthcare related venture, showed interest in studying which measures should it undertake in order to engage the various stakeholders in the creation and development of a Medical Tourism Cluster in the region.

1.3. The significance of the research problem

The problem under consideration in this work project presents significance at both a regional and a national dimension. The development of a Medical Tourism cluster will support the Algarve region to use its natural, human, and capital resources as a lever to economic and social development. Algarve will serve as a model for other health authorities across the country that foresee in Medical Tourism an opportunity worthy of investment.

1.4. Research objectives and limitations to the development of this work project

Objective: To determine what actions the Health Authority of Algarve and its eventual partners should incur to create and develop a Medical Tourism Cluster.

Limitations to the development of this work project:

1. Lack of research regarding Medical Tourism in Portugal
2. Inexistence of statistical information regarding medical tourists in Portugal
3. Lack of experts in the field of Medical Tourism in Portugal

1.5. Methodology

A comprehensive review of published academic articles, media sources and professional reports was performed to understand the Medical Tourism product, to infer about the impact of this product on destination countries and to comprehend what is a cluster. The next stage was to perform both a superficial analysis of the Algarve region a thorough benchmark of a first class Medical Tourism cluster. Finally when the time came to deep dive into the specificities of a healthcare cluster, the interest of private healthcare providers and the vision of the health authority some talks with keynote industry insiders took place.

2. Literature Review

2.1. Defining Medical Tourism

In its' seminal article dated September 1987, *Goodrich*^[4] offers one of the first definitions of Medical Tourism: "We define health-care tourism as the attempt on the part of a tourist facility or destination to attract tourists by deliberately promoting its health-care services and facilities, in addition to its regular tourist amenities." By this time the product offering was constricted to medical check-ups, minor surgery, special diets, vitamin-complex treatments, herbal remedies, thermal swimming pools, and other non-medical products. Despite pioneering the study of Medical Tourism, Goodrich has a remarkable insight when he states "These services will spread as we enjoy higher

incomes, devote more time to leisure/recreational activities, and seek longer, healthier lives.”

Traveling outside one’s country for the purpose of obtaining health treatments is not a new concept. In 400BC ancient Romans used to travel large distances towards treatment in spring waters ^[1]. Over the time the term medical tourist evolved from people traveling from developing countries to developed ones in search of better medical treatment to people traveling from developed countries to developing ones in search of a faster and more affordable medical treatment. Horowitz ^[5] described the first trend as international medical travel and the second and more recent one as Medical Tourism.

In his article Turner ^[6] describes medical tourists as “patients trying to avoid treatment delays and obtaining timely access to healthcare... individuals unable to afford health care in their home settings.” In fact this is the most common definition of medical tourist among the relevant literature and the consumption drivers indicated by Turner (timely access to healthcare and cost saving) despite not the only are certainly the most important ones. The definition presented above is the one assumed over the course of this work project.

2.2. The effect on destination countries

Although Medical Tourism is a fast growing and high-profile industry studies regarding the impacts of this industry are very scarce. In his article Johnston ^[3] identified five effects of Medical Tourism on destination and departing countries which presents the industry as a...

(1)...user of public resources: Subsidies are given to private hospitals serving medical tourists in the form of corporate tax breaks, lands for construction, and reduced import tariffs of medical equipment; (2)...solution to health system problems: Stimulates both national and foreign direct investment in health related infrastructures as well as the retention of health related human resources; (3) ...revenue generating industry: Medical Tourism may be used as a form of subsidy to healthcare systems by using the premium charged to foreigners in the treatment of nationals; (4) ...standard of care: Adoption of demanding international accreditations that signal quality to foreigners; (5) ...source of inequality: Higher wages and superior facilities normally related to Medical Tourism and located in urban areas tend attract valuable human resources and to enhance the disparity between rural and urban areas.

An article by Pocock and Phua [7] presents different policy implications for health systems. The table to the right synthesizes the findings.

P.1 - Conceptual framework for medical tourism and policy implications for health systems

MEDICAL TOURISM and policy implications for HEALTH SYSTEMS	Governance	<ul style="list-style-type: none"> Separate governance and policymaking at international, regional and national levels
	Delivery	<ul style="list-style-type: none"> Private sector growth Foreign direct investment in health infrastructure
	Financing	<ul style="list-style-type: none"> Out of pocket payments Organized medical tourist insurance
	Human Resources	<ul style="list-style-type: none"> Specialists' distribution between public and private sectors Future human resource capacity
	Regulation	<ul style="list-style-type: none"> Public and private sector quality control Joint Commission International accreditation Medical tourist brokers

Adapted from Pocock and Phua [7]

From the current

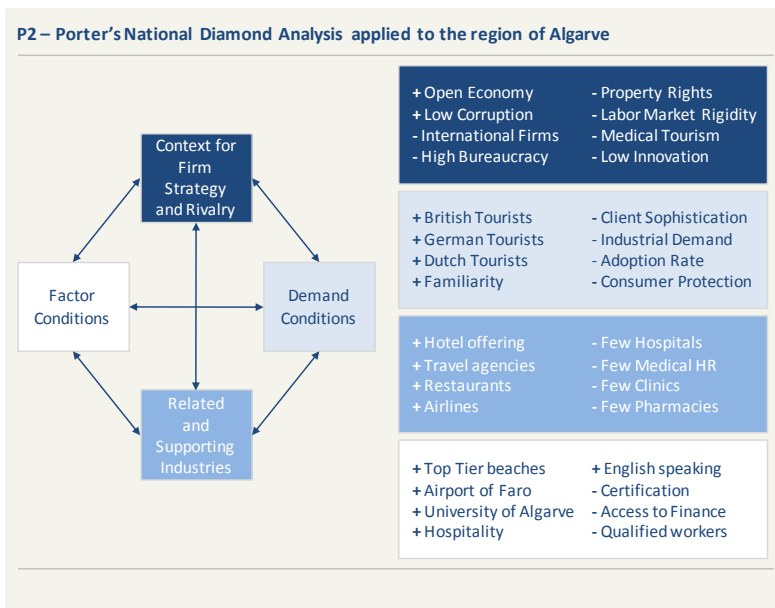
literature we observe that the economic advantages of Medical Tourism for destination countries are solid and very much focused on the infrastructure development. However

governments should be careful not forget that the economic benefits of Medical Tourism should not come at the expense of health access by national consumers. As the authors described, “Governments and industry players would do well to remember that health is wealth for both foreign and local populations.” [7]

3. Discussion of the topic

3.1. Algarve Regional Diamond Analysis

Before starting the discussion «per se» of the topic it is useful to look at Algarve and its endowments. By doing this exercise upfront we will be better prepared to grasp and master the concept of a Medical Tourism Cluster in Algarve.



Picture 2 depicts a few positive and negative aspects regarding the Algarve under the light of a Medical Tourism Cluster development. This analysis is supported by the Global

Competitiveness Report 2011-2012 from World Economic Forum and by key statistics from the National Institute of Statistics (INE). In *appendices A1, A2, and A3* detailed information is provided.

Context for firm strategy and rivalry: Portugal is a safe, open economy with low levels of corruption and with political stability. However the region and even the country suffer from the absence of Medical Tourism providers both national and international. Grupo Hospitais Privados de Portugal is the only Medical Tourism provider in Portugal and it actually operates in Algarve. There is also a Portuguese company that operates as a Medical Tourism provider in the Iberian market called Fly2doc. This is a good start but we need to attract more players from across borders and engage the Portuguese ones. Issues like the restrictive labor regulations, inefficient government bureaucracy are the usual suspects for deterring market competition.

Demand Conditions: Portugal is capable of attracting consumers from UK, Germany, and the Netherlands due to their familiarity with the region. These clients have high sophistication and requirements towards goods and services along with a high rate of new products adoption. The Portuguese law is not very protective of the consumer and the low industrial demand linked to the fact that there is virtually no Medical Tourism activity happening in Algarve affect negatively the demand conditions.

Related and Supporting Industries: The tourism cluster of Algarve is well developed with hotels, restaurants, transports and travel agencies all working in a fine tuned ecosystem. This cluster is of paramount importance to the development of a Medical Tourism Cluster as we will see in the benchmarking section of this work. On the down side is the low medical offering and resources of the region.

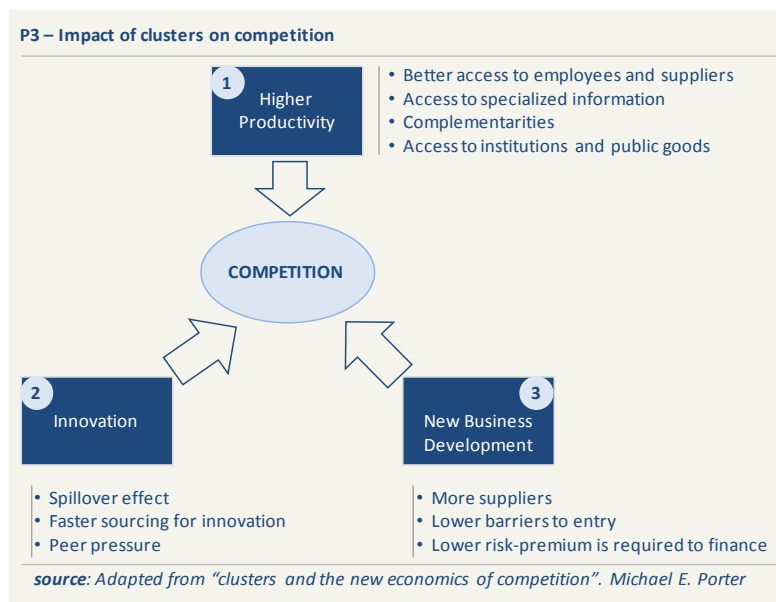
Factor Conditions: Algarve is well known as a sun and beach destiny with beautiful landscapes, warm climate and friendly English speaking people. Unfortunately the workforce has low qualifications and nowadays the access to finance is very hard.

3.2. What do you mean, clustering?

Despite living in a global economy every company is influenced by the regional idiosyncrasies of their surroundings. Forces like the level of competition, innovation bursts, involvement of the Government, or the sophistication of consumers skew companies' performance.

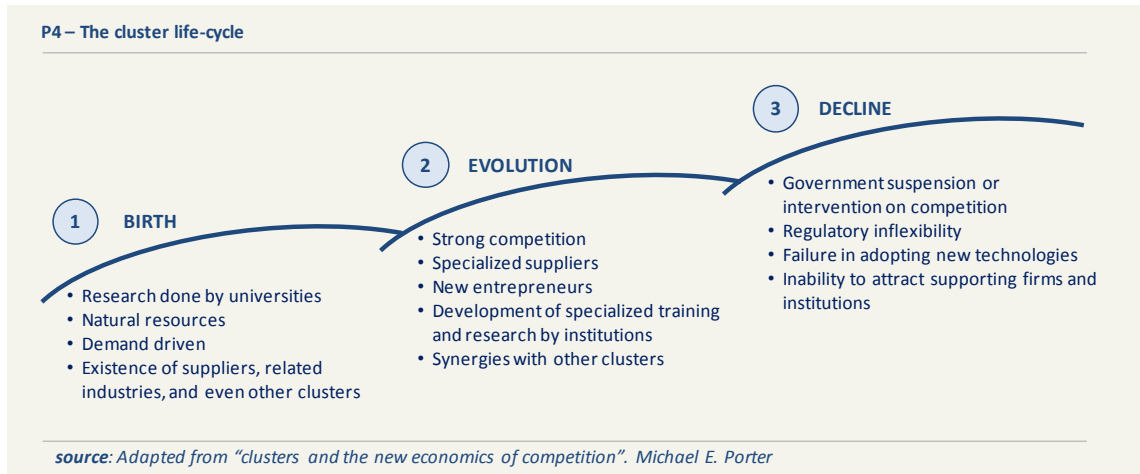
In an article published in Harvard Business Review ^[8] professor Michael E. Porter defines clusters as *“geographic concentrations of interconnected companies and institutions in a particular field.”* moreover *“... clusters represent a new way of thinking about location, challenging most of the conventional wisdom about how companies should be configured, how institutions such as universities can contribute to competitive success, and how governments can promote economic development and prosperity”*

Clusters foster a competitive environment that fuel companies to be better than before by igniting three key factors: Higher Productivity, Innovation, and New Business Development. In



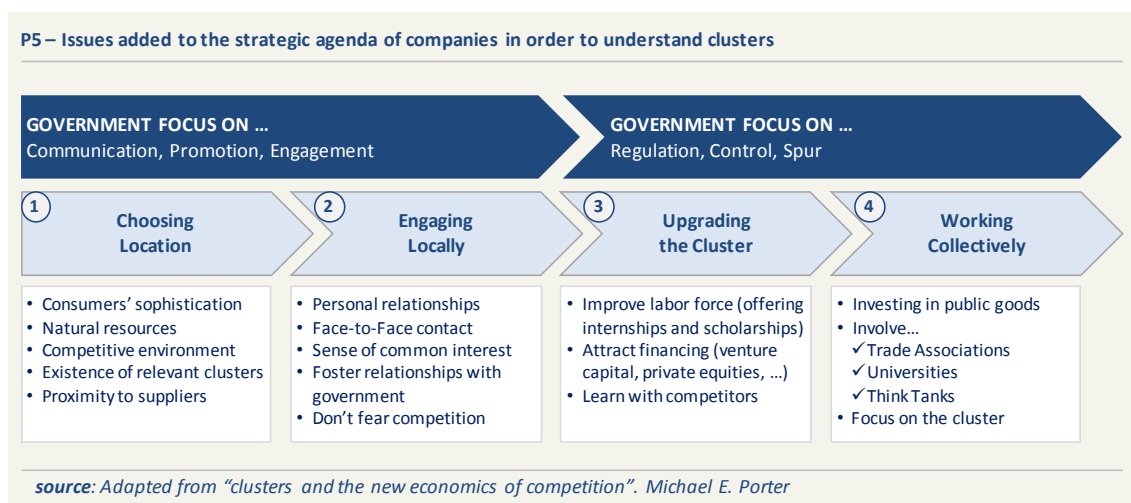
picture 3 is illustrated how these cluster factors impact competition and what advantages can arise for companies that participate in it. This would clearly improve the context for firm strategy and rivalry in a future Medical Tourism industry in Algarve.

For one studying the development of a cluster it is important to understand that like a product or an industry have a life cycle so does a cluster. *Picture 4* illustrates the typical life-cycle of a cluster and the factors that characterize each stage.



Typically a cluster is born out of innovation achieved by companies and institutions, evolves due to the competition and the attraction of new players and suppliers and may decline due to external interventions or inability to attract and “absorb” new players.

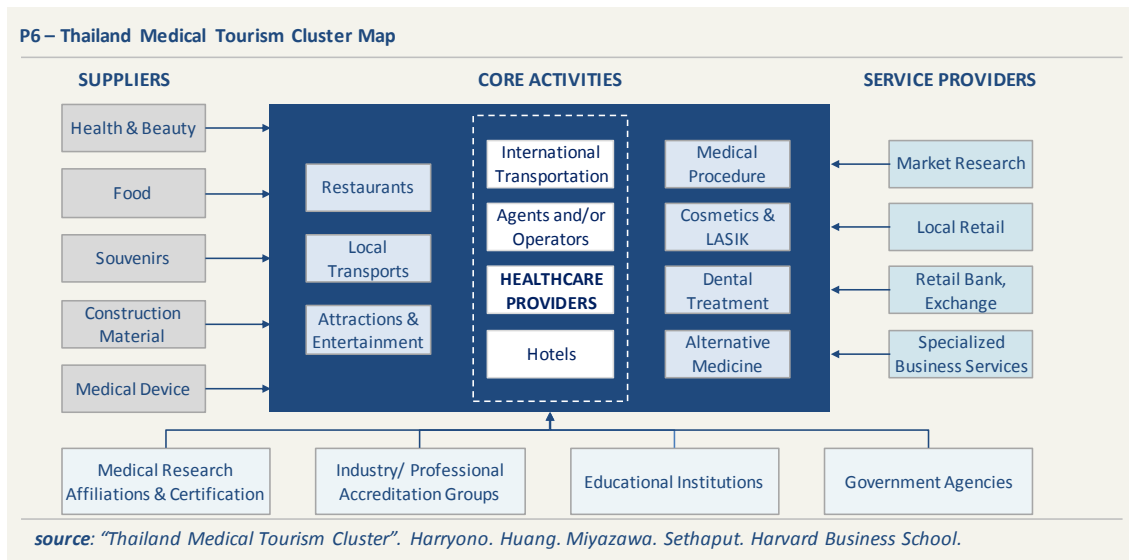
All stakeholders must adapt their strategies in order to develop a strong cluster. In *picture 5* we present the issues added to the strategic agenda of companies as well as the subjects of focus of the government in order to maximize the cluster potential.



3.3. Benchmarking the anatomy of a Medical Tourism Cluster

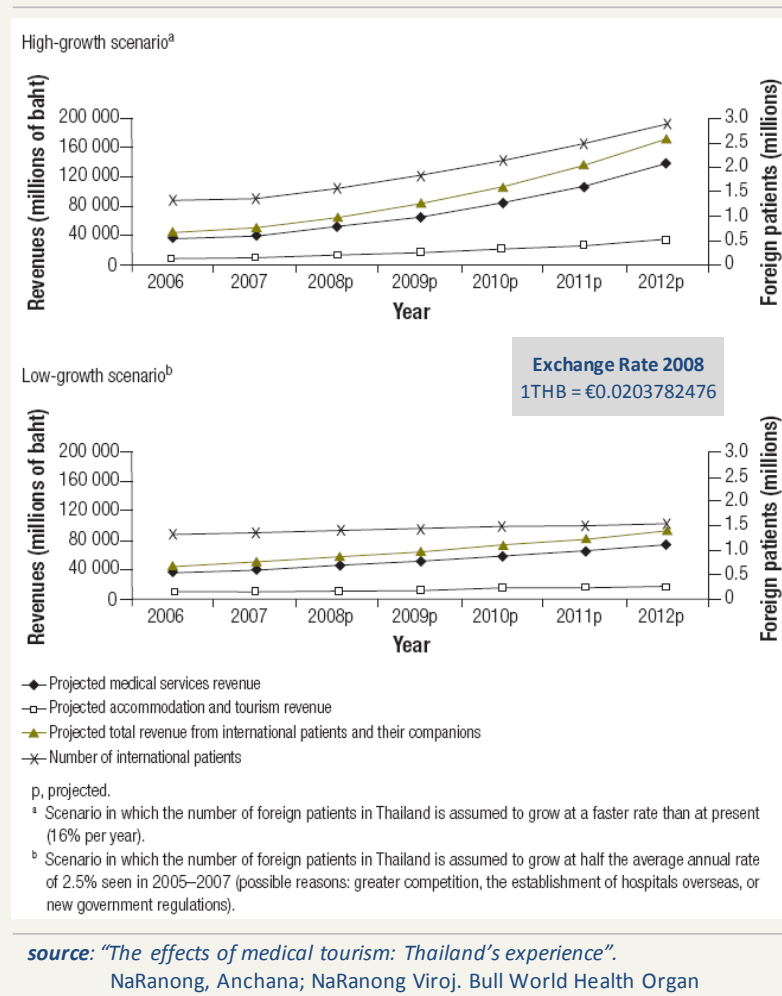
On a 2010 survey ^[9] carried to 247 individuals who participate in the Medical Tourism industry in the USA, UK, India, Hungary, Turkey among many other countries subject to “market and business growth”, “current challenges”, and “future opportunities” a ranking of the Top 10 countries rated on service level by facilitator was made. Ranking #1 is Thailand.

Picture 6 shows a map of the Thai Medical Tourism cluster.



Looking at the core activities we can clearly observe the interception between the medical and the tourism clusters. On the bottom of the map we see the importance of certain collaboration between the cluster and keynote institutions. In Thailand one of the top tier hospitals of the country is collaborating with Harvard Medical School to access staff training at the same time the national universities developed study programs to arm Thai managers with more knowledge and talent related to Medical Tourism. Several hospitals are accredited by Joint Commission International an accreditation institute based in Chicago. The Ministries of Tourism and Health work together to market Thailand abroad as the “Medical Hub of Asia”.

P7 – Projected Revenue generated by foreign patients: high and low-growth scenarios, Thailand, 2008-2012.



Picture 7 present the results of a research^[10] which aimed at analyzing and predicting the impact of Medical Tourism in Thailand. In 2008 international patients generated revenues between €950M and €1.075B in medical services and between €248M and €268M in tourism services. The total revenues for

international patients were between €1.2B - €1.35B. Since the researchers assume that from these international patients only 30% are medical tourists we are talking about revenues between €360M - €400M in 2008. In both an optimistic and a pessimistic scenario the industry will thrive reaching between 1.5 and 3 million international patients by 2012 representing around 450.000 – 900.000 medical tourists.

P8 – Stakeholders registered in the Tahi Medical Tourism web portal and main treatments

Medical Providers	Medical Treatments	Travel Providers
<ul style="list-style-type: none"> Hospitals: 38 Specialist Clinics: 205 Holistic & SPA: 160 	<ul style="list-style-type: none"> Cosmetic/Plastic Dermatology Dental Lasik Holistic/Anti-Aging Sex Reassignment Medical Check-Up 	<ul style="list-style-type: none"> Hotels: 277 Serviced Apartments: 11 Restaurants: 161 Medical Tourism Operators: 4


Source: <http://www.thailandmedtourism.com>

Picture 8 gives us an idea of the cluster dimension.

3.4. Inside View

Now that we understand the importance of a cluster and have an idea of how it should be organized we turn our attention to the opinion of some keynote industry insiders.


Talk with José Carlos Lopes Martins



NAME | José Carlos Lopes Martins

COMPANY | José de Mello Saúde; Health Cluster Portugal

FUNCTION | Member of the Board of José de Mello Saúde and Health Cluster Portugal



This talk took place specifically for this project

Talking with Mr. José Carlos Lopes Martins allowed us to get an inside view about what a health cluster should accomplish and how it should be developed. In the case of Health Cluster Portugal (HCP) the main goals are

to identify and enhance the health value chain in Portugal, to intensify the strengths of each stakeholder, to give support in the application to national and international financial incentive programs, to promote R&D, and to position the national players as exporters. HCP's inception started with an international benchmark aiming to identify the best-in-class cases of health clusters. This research led to an informal affiliation of HCP with the health cluster that connects Denmark with Sweden. Fruit of this affiliation the first president of HCP was one of the responsible persons for the development of the Danish-Swedish cluster. One Portuguese trade association already contacted HCP to study about the inception of a Medical Tourism Cluster in Portugal and presented an application to a financial incentive program. The study aims to present a plan on how to develop Medical Tourism in Portugal by 1. Looking at the best-in-class; 2. Evaluation of Portuguese potential; 3. Benchmark in line with the Portuguese potential; 4. Development of a plan.

Finally we talked about the role of the government that should be one of kick-starters by leveraging in diplomacy and trade associations and in a second stage one of watchdog. A public offer of Medical Tourism in specific Excellence Centers may also apply.

Talk with Rui Alexandre Pires Diniz



NAME | Rui Alexandre Pires Diniz
COMPANY | José de Mello Saúde
FUNCTION | Executive Member of the Board



This talk took place specifically for this project

The talk with Mr. Rui Diniz (an executive member of the board of the major private healthcare provider in Portugal) was focused on his view of the Portuguese standpoint about the potential and the attractiveness of

the industry. In Mr. Rui Diniz view Portugal has to work in order to present a relevant value proposition in Medical Tourism. Comparing to our european peers we don't have a cost advantage regarding medical procedures and we still lack the international recognition as a center of excellence. On the other hand we do have a sound and strong tourism offer. What we lack in healthcare we do have plenty to go around in tourism.

Regarding the product offering it should be specialized, players should't consider every type of procedure as a Medical Tourism offer and there must be an integration of services with "well oiled" synergies between travel agencies, transports and hotels. For this scenario to be profitable we need a big volume of medical tourists. When we talked about the government role, again the idea of wachdog and international positioner arised with the Ministry of Economy assuming a pivotal role.

Talk with Rui Lourenço



NAME | Rui Lourenço
COMPANY | Algarve Health Region Authority (ARS Algarve)
FUNCTION | Former President of the Algarve Health Region Authority



This talk took place specifically for this project

Mr. Rui Lourenço's concerns as the prior president of the Algarve Health Region Authority are very focused on the need to

assess the competitive factors of Portugal with particular focus on pricing.

In Mr. Rui Lourenço's view there is a severe lack of analytical support regarding the cost structure of an eventual Medical Tourism offer that must contemplate among others the price of medical work, the price of medical equipment, and the costs related to certification. There is a clear perception that our offering must be specialized and focused on the procedures in which we are competitive.

Interview with Paulo Neves



NAME | Paulo Neves
COMPANY | Hospitais Privados de Portugal (HPP)
FUNCTION | Executive Member of the Board



Interview performed by a third party subject to the Medical Tourism business of HPP

HPP is the only Portuguese healthcare provider engaged in Medical Tourism. The views presented here are focused on their offer. Following a tradition of treating international clients in Algarve and looking

at a European market that is worth around €8.000M HPP tapped the market using an internet platform. The access to the website developed to promote the offering shows high predominance of UK visitors that can be captured by both public and private units (*appendice A4*).

Nowadays the international services render about 10% of total revenues of HPP Algarve and the leap in budget requests towards medical tourism services is increasing around 15% per year with a clear interest demonstrated in Plastic Surgery followed by the Orthopedics (*appendice A4*).

The integrated vision of HPP is condensed in a “one-stop-shop” where clients can promptly obtain a final price with or without hotel pre or post intervention. To achieve this “one-stop-shop” several partnerships with tourism operators were made.

3.5. Setting the first steps

We will now summarize a set of steps that should be taken in order to foster, develop, and maintain a Medical Tourism Cluster that will boost the appearance of a top tier Medical Tourism offering in Algarve. At this stage it is clear that the Health Authority of Algarve should not embark in this quest alone. Instead it must recognize itself as part of an organism that will bring together all stakeholders in the Medical Tourism industry and will foster collaboration among them.

In picture 8 we present 12 steps focused on 4 main categories (assessment, attraction, promotion, and control) that should be taken by a working group that could and should be stimulated by the government and by the Portuguese Medical Tourism Cluster. In fact the creation and formalization of this entity is the most important step towards our objective. Each step is described and the source of inspiration behind it is also indicated. Additionally it was made an effort to identify the main benefits for the two industries that gain the most from Medical Tourism (Healthcare and Tourism).

Like all players operating in this industry we must assess in which interventions we should invest in and what geographical markets to target. Afterwards our diplomacy should help the cluster to attract medical tourists. Also a significant promotion effort is required to cut the gap between the supply and the demand. Finally the healthcare providers must start working on gaining international accreditations and the cluster will have to develop the appropriated mechanisms of planning and control in order to portrait an image of transparency to the market.

P8 - First steps to be taken towards the creation and development of a Medical Tourism Cluster

STEP	ACTION	DESCRIPTION	INSPIRATION	BENEFITS	
				Tourism (T)	Healthcare (H)
1	Study	A deep and analytical study of the competitive factors affecting not only Algarve but the entire Portuguese territory is crucial to define our positioning both in terms of offering and target markets	Talks Benchmark Literature	T: Market Definition H: Market Definition	
2	Evaluate Public Offer	A working group must conduct an evaluation of the Medical Tourism potential of some of our public healthcare units . Centers of excellence should be marketed also to the medical tourists.	Talks Literature	T: More partners H: Possible PPP	
3	Bring Together	All stakeholders of the future cluster should sit at a round table to define a common strategy and compromise to form the cluster. The Ministries of Health, Tourism, Economy and Finance must play a pivotal role in this stage. This is the time to formally create the Cluster	Talks Benchmark Literature	T: Alignment H: Alignment	
4	Incentives	A working group must be developed to prepare a file where all the financial incentives programs applicable to Medical Tourism are presented in an appealing way . This file must present both national and international incentives	Talks	T: Info on Finance H: Info on Finance	
5	Agreements	The representatives of the cluster should work to create agreements with the National Health Services of foreign countries . Agreements with world class doctors and world class medical universities should also be made.	Talks	T: Capture Clients H: Capture Clients & Experts	
6	Networking	Use the Portuguese embassies as a bridge between the medical tourists and Algarve. Embassies and national chambers of commerce could be a great channel to get the opinion leaders in selected countries	Talks	T: Increase clients H: Increase clients & Attract experts	
7	Portal Development	Like Thailand the future Portuguese Medical Tourism Cluster must have a top quality website where all information for individual clients, insurance companies, governments, travel agencies and hotels is available in a clear and user friendly way	Benchmark	T: Marketing H: Marketing	
8	Roadshow	After understanding our positioning and strategy, the representatives of the cluster should travel across Portugal and the selected countries presenting to health insurance companies and investors our value proposition .	Talks	T: Business prospect H: Business prospect	
9	Communicate	The cluster must have a strong focus on the development of conferences and media coverage about Medical Tourism. It is very important that a buzz is created for the word-of-mouth effect to gain momentum	Talks Literature	T: Marketing H: Marketing	
10	Regulate & Certificate	We must work towards the international certifications and specific medical tourism regulation in order to gain the trust of international customers . A deep study about regulatory measures should be made at this point as well as a file about certification requirements	Talks Literature	T: Client Trust H: Client Trust	
11	Report	The cluster should have a mechanism of management control in order to develop detailed periodic information to the market . This kind of transparency will portrait confidence to investors and clients	Talks Benchmark	T: Market Intel H: Market Intel	
12	Evaluation	According to the control made a system of stars could be attributed to the players. Diamond, Platinum, Gold, and Silver Star partners could be the classifications	Talks	T: Recognition H: Recognition	

Author analysis

In picture 9 we characterize each step giving particular importance to the government role in it. With this roadmap the Portuguese Medical Tourism Cluster would be

formally created in April 2012 making it possible to start promoting the region of Algarve before summer months.

P9 – Special features of each step						
STEP	ACTION	FOCUS	MINISTRIES INVOLVED	TIME FRAME	PUBLIC FINANCING NEEDED	KEY SUCCESS FACTORS
1	Study	Assessment	Health Tourism Economy	JAN.2012 APR.2012	Medium	• Strong Analytical Basis
2	Evaluate Public Offer	Assessment	Health Economy	JAN.2012 MAR.2012	Medium	• Strong Analytical Basis
3	Bring Together	Assessment	Health Tourism Economy/Finance Foreign Affairs	APR.2012 (1 st week)	Low	• Captivate the Stakeholders
4	Incentives	Attraction	Economy Finance Health Tourism	APR.2012 JUN.2012	Low	• Structured Info. • Appealing presentation
5	Agreements	Attraction	Health Foreign Affairs	APR.2012 JUN.2012	Low	• Competitive offer • Commercial attitude
6	Networking	Attraction	Foreign Affairs Economy	APR.2012 (on going)	Medium	• Lobbying
7	Portal Development	Promotion	Tourism Health Economy	APR.2012 MAY.2012	Low	• User friendly • Appealing look • Strong Data Base
8	Roadshow	Promotion	Health Tourism Economy	MAY.2012	Medium	• Communication • Appealing Presentations
9	Communicate	Promotion	Health Tourism Economy	MAY.2012 on going	Medium	• Keynote Speakers • Word-of-mouth
10	Regulate & Certificate	Control	Health	APR.2012 (on going)	Low	• Adoption of International Standards
11	Report	Control	Health Tourism	APR.2012 (on going)	Low	• Transparency • Regularity
12	Evaluation	Control	Health Tourism	DEC.2012 (every year)	Low	• Transparency

Author analysis

4. Conclusion

A long journey is still ahead of Algarve or even Portugal for that matter to be considered a world class Medical Tourism destination. According to a Chinese saying “even the longest journey starts by a single step” and here in Portugal the first step is already being made with the engagement of Health Cluster Portugal in a study regarding the potential and the competitive positioning of Portugal as a Medical Tourism destination.

International benchmark showed us that a strong and well organized Medical Tourism cluster is of paramount importance in countries that are considered the best among the best and this is without question (not only from the benchmark analysis but also because of all the gains that arise from using a cluster approach) a fundamental step for Algarve and Portugal. The ecosystem and the grid of synergies that boil inside a cluster will benefit all stakeholders in all parts of the value chain.

The government represented by the Ministries of Health, Tourism, Economy, Finance, Foreign Affairs, by the National Health Service, and by its regulatory arms is required to be a key stakeholder in this initial stage of the cluster development by promoting studies, engaging and motivating the insurance companies, the hotels, the healthcare providers, the universities, and the professional associations among other stakeholders. In a second stage government should play the role of a silent partner that regulates and watch.

The growth of the global market is making the appeal of Medical Tourism and the race to the top stronger than ever before. By following this structured roadmap Portugal and Algarve will most certainly have a word to say in this race.

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Relevant Web Resources:

www.medicaltourismassociation.com

www.treatmentabroad.com

<http://medicaltourism.com>

<http://healthportugal.com>

www.algarvemedicaltourism.com

www.ine.pt

www.thailandmedtourism.com

<http://www.imtj.com/>