Advancing Healthcare Tourism in Malaysia through the Implementation of the Flagship Medical Tourism Hospital Programme

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Farizal B. Jaafar  
Acting Chief Executive Officer  
Malaysia Healthcare Travel Council (MHTC)

Over 25 years of professional experience in leading corporate and growth strategy, digital marketing, data analytics, business development, and operational transformation.

Worked successfully in government-linked organisations, multinational, and local conglomerates spanning various industries, in Malaysia, the United States, and the Asia Pacific region.

Proficiency in sales and marketing, branding, digital, business development, and market trend analysis have been instrumental in leading national-level healthcare programmes and the implementation of global marketing strategy and campaigns.

Leveraging the wealth of experience and exceptional leadership skills, Farizal is spearheading MHTC with a focus on establishing long-term strategic partnerships and formulating new revenue opportunities for the organisation and the industry.

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Asia emerges as the principal beneficiary of the flourishing medical tourism industry, garnering substantial demand from both domestic and international patients.

Global medical tourist revenue and growth by geography
(Revenue, USD Bn; CAGR, %, 2019-2020 vs. 2022 vs. 2025)

<table>
<thead>
<tr>
<th>Region</th>
<th>2019</th>
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<th>2022</th>
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<td>Asia</td>
<td>+30%</td>
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CAGR ('22-'25)

- Asia: 19%
- Europe: 9%
- Middle East: 7%
- North America: 10%
- APAC: 10%
- Latin America: 10%

Largely driven by “experiences”
Driven by increasingly affluent middle class who want access to better healthcare which is not available at home.

WHY ASIA?
- Early access to innovative treatment
- Access to experimental treatment & diagnostics not available in origin countries – SG is seen as the Asia hub for access to whole genome sequencing
- Access to world-renowned KOLs / KOCs
- Relatively lower cost of treatment vs other regions
- Sought-after holiday destinations

Source: IMTJ, 2018; Euromonitor, 2018; The Business Research Company, 2022
Malaysia Healthcare Travel Council (MHTC), the driving force of medical tourism in Malaysia

Malaysia Healthcare Travel Council (MHTC) is an agency established under the purview of the Ministry of Health responsible for developing and nurturing the Malaysia Healthcare brand.

MHTC facilitates and promotes the healthcare travel industry of Malaysia by coordinating industry collaborations and building valuable public-private partnerships, at home and abroad.

MHTC has 97 Member Facilities accredited by international bodies, committed to delivering high-quality healthcare services. (22 Elite Hospital Members | 62 Ordinary Hospital Members | 13 Affiliate Members)

MHTC aims to elevate the healthcare travel industry – through exemplifying best experience from all aspects, by having an active ecosystem, strong Malaysia Healthcare brand and market strategies.

The Malaysia Healthcare brand aims to fulfil the aspirations of positioning Malaysia as the leading destination for healthcare.

Malaysia’s healthcare travel industry is a significant key export service for the country.

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A 5-year Industry Blueprint, cultivating groundbreaking strategies to set the momentum forward towards Malaysia Healthcare’s 2025 aspiration

Malaysia Healthcare Travel Industry Blueprint 2021 - 2025

**Malaysia Healthcare Travel Industry Blueprint Aspiration**

**Two (2) phases approach**

2021 – 2022
Focus: Reinforce Malaysia Healthcare’s profile

2023 – 2025
Focus: Enhance niche branding and offerings

We aspire to provide the best healthcare travel experience to healthcare travelers seeking treatment in Malaysia with “experience” being the primary industry focus within the next five (5) years.

**BEST MALAYSIA HEALTHCARE TRAVEL EXPERIENCE**

INDUSTRY REVENUE RM 2.0 BILLION BY 2025

“Best” Malaysia Healthcare Travel Experience By 2025

- Medical excellence
- Service excellence
- Seamless journey

- Destination branding for Malaysia in healthcare travel industry
- Affordability
- Quality
- Safety
- Hospitality

Three (3) strategic pillars

Healthcare Travel Ecosystem
Malaysia Healthcare Brand
Markets Growth, Seeding and Niches

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MHTC is optimistic that industry will return to pre-pandemic levels two (2) years ahead of the initial targeted timeline of 2025.
The Flagship Medical Tourism Hospital (FMTH) programme is a key initiative under the Blueprint’s “Healthcare Travel Ecosystem” Pillar.

Healthcare Travel Ecosystem Pillar:

Outlines strategic initiatives which focus on providing a seamless experience through medical and service excellence in medical services, providing the “Best Malaysia Healthcare Travel Experience by 2025”.

First-of-its-kind programme witnessing Malaysia’s top private medical establishments increasing their commitment and efforts to raise the bar of excellence in delivering exceptional end-to-end services to patients.

The development and recognition of an iconic Flagship Medical Tourism Hospital status will raise Malaysia’s Global Healthcare profile.

Brings long-term benefits to the development of Malaysia’s healthcare industry and the nation – global profiling, economic growth, job creation, increased employment opportunities, tax revenue generation, and positive fiscal impacts.

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FMTH Programme is developed based on a structured mechanism to assess hospitals and provide support to finalists over 5-years (2021-2025)

**Vision**

- Act as a **catalyst to drive and elevate Malaysia’s Private Healthcare Services**

**Goal**

- To establish and garner **international recognition for Malaysia’s FMTH(s)**

**Target for finalists**

- Direct investments in healthcare of **RM 250 million (US$ 53.1 million) and above per hospital** from 2019-2025
- Increase healthcare travel revenue of **30%** from 2023-2025 (2019 as baseline)

**Strategies**

- **Medical Excellence**
  - Enhance medical excellence through global recognition, process, technological, and talent improvement

- **Service Excellence**
  - Continuous improvement in end-to-end patient experience

- **International Branding**
  - Raise global profile through evidence-based capabilities and extensive patient outreach

**Outcomes**

- Recognised for medical excellence to attract high value patients
- Differentiated service excellence and sustained service culture
- Enhanced global profile and recognition

Source: MHTC, 2023
The overall assessment and selection of the Programme is carried out by independent & specialised Programme Advisories across a 5-year period.
Assessment and scoring of participating hospitals were conducted based on a list of key pillars and dimensions.

Data-driven methodology covering 51 metrics, divided into subcategories within the dimensions under the three (3) key programme pillars:

- **MEDICAL EXCELLENCE (40%)**
  - a. Clinical performance
  - b. Innovation and technology enablers
  - c. Medical expertise and service enablers
  - d. Operation and infrastructure enablers

- **SERVICE EXCELLENCE (40%)**
  - e. Patient centricity performance
  - f. Operation performance
  - g. Innovation and technology enablers
  - h. Service offering enablers

- **INTERNATIONAL BRANDING (20%)**
  - i. Global presence/branding performance
  - j. Corporate Social Responsibility (CSR) performance
  - k. Marketing and promotion enablers
Phases of assessments undertook data-driven methodologies across the three (3) key programme pillars

**LEADERSHIP INTERVIEWS**
- Engagement with the senior management (e.g., CEO, COO, CFO) of hospitals

**STAFF INTERVIEWS**
- Interviews with the ground staff at key Healthcare Traveller (HT) touchpoints (e.g., Specialist Outpatient Clinic, Pharmacy, Radiology, Inpatient, etc.)

**HEALTHCARE TRAVELLER (HT) JOURNEY INTERVIEWS**
- Healthcare Traveller (HT) Journey Interviews were conducted with staffs and HT to understand the HT’s experience and overall satisfaction across the key touch points of hospitals

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Announcement of the four (4) Flagship finalists was made by the Minister of Health, Malaysia in March 2023.

The CEO’s of the four (4) Flagship Hospital finalists, alongside the Honourable Minister of Health, Malaysia - Dr. Zaliha Mustafa (pictured 4th from the left).

Note: The Flagship finalists’ line-up are in alphabetical order.
The 2023 - 2025 Acceleration Phase: Multiple components of focus areas factored in to drive the transformation forward

**MEDICAL EXCELLENCE**
- Medical excellence through international recognition, process, tech and talent improvement

**SERVICE EXCELLENCE**
- Service excellence through continuous improvement in end-to-end patient experience

**INTERNATIONAL BRANDING**
- Global profile through market outreach and brand building

- Centre of Excellence
- Digital Healthcare
- Patient Experience
- Service Culture
- Market leadership
- Industry Partnership
- Brand value
- Research & Innovation
- Evidence Based

Visit www.malaysiahealthcare.org
The four (4) Flagship finalists are granted with Programme enablers and partnership collaboration, in support of the Acceleration phase.

1. Investment Tax Allowance (ITA)
   - Additional Investment Tax Allowance (ITA) on qualifying capital expenditure incurred between 2023 to 2025

2. Fast Track Facilitation
   - Expedited approval to support development milestones as per the acceleration journey

3. Healthcare Technology Sandbox
   - Finalists to be granted flexibility of testing concepts (digital and health innovation) that support medical & service excellence or improve patient experience in a sandbox

4. Programme Mentors / Advisors
   - Finalists will get access to program advisors that will assist with programme development, assessment and KPI monitoring

5. Industry Partners
   - Finalists to have the opportunities collaborating with the regional and international key players in further developing the industry ecosystem

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2023 – 2025 Acceleration phase: Charting customised programme for finalists with KPIs focused on the programme three (3) key pillars

**MEDICAL EXCELLENCE**
- International certification and recognition of CoEs
- HIMSS stage module
- Clinical outcome benchmarking from CoE
- Non-CoE clinical outcome-based benchmarking
- Published article in leading international medical journals

**SERVICE EXCELLENCE**
- New industry strategic partnerships / collaborations
- Percentage of Net Promoter Score (NPS)
- New digitalisation in the healthcare traveller journey

**INTERNATIONAL BRANDING**
- Awards and recognitions
- Market expansion and diversification
- CSR international awards
- ESG international awards

**CONTRIBUTION TO MALAYSIA’S HEALTHCARE TRAVEL INDUSTRY:**
- Direct investments in healthcare travel industry of **RM 250 million (US$53.1 million) and above per hospital** from 2019-2025
- Increase healthcare traveller revenue of **30% from 2023-2025** (2019 as baseline)
2023 – 2025 Acceleration phase: Key initiatives in 2023

**MEDICAL EXCELLENCE**
- Joint Commission International
- IQVIA, Powering Healthcare with Connected Intelligence
- Healthcare Information and Management Systems Society (HIMSS)

**SERVICE EXCELLENCE**
- Bumrungrad International Hospital Bangkok
- Naluri, Digital Healthcare Provider
- IQVIA, Powering Healthcare with Connected Intelligence

**INTERNATIONAL BRANDING**
- Malaysia Airlines
- Shopee Malaysia
- Malaysia Airlines
- Bumrungrad International Hospital Phuket (Upcoming)
- Procter & Gamble Health
- IQVIA, Powering Healthcare with Connected Intelligence (Upcoming)

*Speakers’ line-up from Middle East, Australia, Thailand, Singapore and Malaysia*
2023 – 2025 Acceleration phase: Key outcomes achieved from the four (4) finalists throughout the period of April – September in 2023

**MEDICAL EXCELLENCE**

*Centres of Excellence (CoE)*
- Mahkota Medical Centre: Clinical Care Programme Certification (CCPC) for Breast Cancer from Joint Commission International (JCI)
- Subang Jaya Medical Centre: Centre of Excellence Certification for Oncology from the Australian Council on Healthcare Standards (ACHS)

*Medical Publications*
- More than cumulative of 30 publications on international platforms

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**SERVICE EXCELLENCE**

*Industry Partnerships*
- At least 10 new industry partnerships ranging from the industry of banking, insurance, travel agency, hotels, public relations & media

*Digitalisation of Processes*
- Development of healthcare digitalisation across the end-to-end patient touchpoints

*Patient Experience*
- Significant improvement on the Net Promoter Score, average above 20% improvement from the respective baselines.

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**INTERNATIONAL BRANDING**

*Brand profiling of the programme finalists via global platforms*
- International media interviews and profiling – total PR value of almost RM 70 million (US$ 14.87 million)

*Global Healthcare Awards *(non-exhaustive)*
- Island Hospital and Subang Jaya Medical Centre: Newsweek Best Specialised Hospitals APAC 2023
- Mahkota Medical Centre: Global Health Asia Pacific Awards 2023
- National Heart Institute: Healthcare Asia Awards 2023

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*Investment achieved as of July 2023 at 38% of total healthcare investment of RM1.68 billion (~USD35.7 M) (committed from 2019 – 2025)*
This innovative and game-changing Programme brings long-term benefits to the development of Malaysia’s healthcare industry and the nation.

**Increase of volume and revenue** of healthcare travellers

**Strong global brand** of Malaysia Healthcare through Flagship Medical Tourism Hospital and the Flagship finalists

**Increase of domestic and foreign direct investment**

**Multiplying growth** of the travel and tourism industry by fourfold

**Job creation, employment opportunities** for local, tax generation and fiscal impacts from hospital construction and expansion.

**Impact on the township/district**

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End Goal: Establish and garner international recognition for Malaysia’s Flagship Medical Tourism Hospitals in 2025

**Flagship Finalists**

- **Institut Jantung Negara**
  National Heart Institute

- **Island Hospital**

- **Mahkota Medical Centre**
  Subang Jaya Medical Centre

**Final Assessment in 2025**

A National Recognition of the winner(s) by the Honourable Prime Minister of Malaysia as MALAYSIA’S FLAGSHIP MEDICAL TOURISM HOSPITAL(S)

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