Medical Procedure Elasticity and Potential Medical Tourism

David Vequist

University of the Incarnate Word

This research will explore the impact of patient consumerism and pricing on potential of patients to travel a longer distance to receive lower prices on medical procedures. The authors will show how an elasticity curve applied to some medical procedures will predict the propensity of patients to travel for lower costs. In addition, the research will try to predict how far a distance patients will travel based on time value of distance. The implications of this research could impact the healthcare industry both domestically and internationally as consumer sensitivity to pricing becomes more transparent.

References:

Andrews, H. (2021). Winning a Losing Game, Part VI: The Impact of Price Elasticity. Trilliant Health (website) (https://www.trillianthealth.com/company/blog/winning-a-losing-game-part-vi-the-impact-of-price-elasticity)

Ellis, R. P., Martins, B., & Zhu, W. (2017). Health care demand elasticities by type of service. Journal of health economics, 55, 232–243. https://doi.org/10.1016/j.jhealeco.2017.07.007 (https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5600717/)

Ringel, J. et al (2005). The Elasticity of Demand for Health Care. Rand Corporation, (https://www.rand.org/content/dam/rand/pubs/monograph_reports/2005/MR1355.pdf)

Vequist IV, D. G. (2021). The Continuum of Care in Cross-Border Health Travel: Implications for Medical Tourism Standards. *Journal of Healthcare Management Standards (JHMS), 1*(1), 1-13. http://doi.org/10.4018/JHMS.2021010101 (https://www.igi-global.com/gateway/article/full-text-html/287011&riu=true)

Vequist IV, D. G., Harmsen, E., Nesser, C. (2019) A Logical Model for Reducing Healthcare Costs Through Mathematical Selection by Distance and Quality (Presentation) (https://www.uiw.edu/orgs/_docs/12th-annual-research-week-program-2019.pdf)