

IVD/MD Asian Working Group Emerging Market Research Report

Country of Visit : Thailand

Time of Visit : March 2015

Visitor: Two representatives from JACRI

Two representatives from JAIMA

Two representatives from OMETA

Visiting sites: Thai MOH, Japan Embassy in Thailand, JETRO Bangkok, Ramatibody Hospital, Samitivej Hospital and other organizations

Information obtained

<Basic data, information on medical-care in Thailand>

- There seemed to be an issue on the disparity of medical care between urban areas and rural areas. This issue seemed to be an issue of governmental policy.
- Population of Thailand : 66 million (2014)
- Average life expectancy: 71.7 years old
- Aging of population: It is predicted that 15.3% of the total population will be an age over 60 years old in 2020.
- Therefore, amplification/ upgrading and expanding of social security system for elderly are required.
- There seemed to be an issue on the disparity of medical care level between urban area and rural area.
- Private big hospitals which are mainly located in big cities have the newest medical devices based on the newest medical technologies and that wealthy class population can utilize those high level medical care. But public hospitals located in rural areas seemed to serve only limited level of medical care to those people in those rural areas.
- Number of public hospitals : about 1,000 (2014)

- Number of private hospitals: about 400 (2014)
- Lack of doctors, 0.41 per capita 1,000 (2014)
- This rate is about 1/6 of Japan.

- **Public medical service hierarchy:**
 - Primary medical service: Health centers in rural and local area
 - Secondary medical service: Local hospitals, Local general hospitals, local private hospitals
 - Tertiary medical service: General hospitals, University hospitals, Special hospitals and big hospitals in urban area.

- **Public health insurance system:**

There are the following 3 types.

 - CSMBS: Mainly for Public servant, about 8% out of total nation
 - SSS: Mainly for company workers, about 15% out of total nation
 - UC : Mainly for farmers, individual proprietors, about 77% of total nation

- **Private health insurance system:**

Percentage of the private health insurance fee out of total national health expenditure has been increasing. 5% (1998) → 8%(2010)

The target layer of the population are the upper 15% out of total nation who have over U\$1,000 income/ month and the second upper 20% out of total population who have over U\$500 income/ month.

- **Reimbursement system:** Depend on the above three type of Public medical service system, there are difference of availability of medical service and difference of payment for it.

- **Private medical service:**

There are 17 private hospitals which have over 250 beds. 14 hospitals out of 17 are located in Bangkok city area.

- **Medical tourism:**

Since 2004 after Thai government policy of medical tourism, over 2.5 million foreign patients (2012 data) have been coming to Thailand to have medical service such as general medical care, cosmetic surgery, gender-translation surgery, dental care, orthopedic surgery, cardiac surgery.

As its trend, the number of patients from foreign countries for this medical tourism has been increasing year by year. Most of those patients come from Japan, USA, China, Taiwan, UK, Germany, South Africa and Middle East countries.

Year	# of patients	Earning (Baht)	Countries of patients
2008	No data	52 billion Baht	No data
2009	No data	58 billion Baht	No data
2010	198 million	78.7 billion Baht	JP*, ASEAN, ME*, US, UK
2011	224 million	97.9 billion Baht	JP*, ASEAN, ME*, US, UK
2012	253 million	1,21.7 billion Baht	JP*, US, UK, GCC*, Australia
2016 prediction	No data	2,520 billion Baht	No data

* : JP: Japan, ME: Middle East countries

GCC: Gulf Cooperation Council

- **Adverse effect of Medical tourism:** Because of the newest and high level medical care based on the newest high level medical devices, many doctors have been moving to the big private hospitals from public hospitals.

- **Thai government policy :**

In order to be a center place of the Asian medical service, Thai government emphasizes the following points:

- 1) Thailand to be a center place to provide all type of medical services.
- 2) As the center place of medical services, Thailand will provide Spa services and includes medical tourism services.
- 3) To promote Thailand as the center of academy on medical services.
- 4) To become a basis of production of medicines and health related products.

In order realize those above policies, Thailand Investment Agency (BOI) have agreed to give special privilege to medical service providing organizations to eliminate tax and preferential treatment of import tax on imported medicines and raw materials of medicines.

About 60 % of the investment from foreign country is taken by Japanese companies and the expectation to Japan by Thai government is high.

- **Thai Medical Devices Market growth prediction:**

It is said that the predicted annual growth rate is about 13.7% during period of 2012 (US\$1.05 billion) - 2108 (US\$2.3 billion).

- **Countries of Medical devices Export and Import :**

About 60% of all domestic needs of medical devices have been imported. Main countries of Medical Devices import are; USA 28.7% (U\$ 2.4 billion), Japan 14% (U\$1.2 billion) (2012 data)

Main Export countries of Medical Devices are Japan (U\$2.09 billion) and USA (U\$2.08 billion). (2012 data)

- **Main importing Medical Device:**

The main importing Medical Device is diagnostic Imaging Medical Device. (about 31.5% of total Thai Medical Device market) The major country of this diagnostic Imaging Medical Device is USA. (2011 data)

Medical Devices manufacturers in Thailand :

Manufacturers of IVD field are Roche, Abbott, Siemens, Beckman, BioRad from Europe and USA. Major IVD Manufacturers from Japan are Olympus, Horiba, Sysmex, Fujifilm etc.

Trend of medical doctors' overseas education:

Many of Thai students want to go to USA or Europe for their medical doctor education.

<Other information from Thai visit>

- **Japanese Chamber of Commerce, Bangkok :**

They were preparing to newly organize subcommittee named "Medicines and medical care" in the "Chemical committee".

Note: Data, figures and statistical data described in this market research report has been sourced from the information of JETRO Bangkok, Japan Embassy and other meeting sites/ organization.

< Courtesy call to MOH Thailand >

From our side, we have explained to the officer about the new Japan law “MD Act”.

From MOH side, they have explained to us about the current situation and near future plan to implement AMDD: ASEAN Medical Device Directive which had been agreed among all ASEAN member countries in 2014.



Samitivej Hospital Visit & tour



Courtesy call to Thai FDA



Ramatibody Hospital Visit & tour



Courtesy call to Thai BOI