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RESOURCE TYPE REGION**

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**Abstract**

The goals of Russian healthcare are defined by the state program of the Russian Federation "Development of healthcare" and fixed in the passport of the national project "Healthcare". The Federal project "Development of export of medical services" aimed at a significant increase in the number of treated foreign citizens. The Federal project focuses healthcare on the development of medical tourism. Achieving the Federal project targets and ensuring long-term sustainable tourist flow is associated with the assessment by foreign citizens of the attractiveness of medical services (tourist resources) and the tourist product as a whole (complex of services for transportation, accommodation of tourists, etc.). We associate the prospects for medical tourism and the growth of exports of medical services with the development of productive entrepreneurship. This problem is relevant for resource-type regions, where the basic source of income is rent, extracted on the basis of access to limited raw resources. The research subject is the potential of productive entrepreneurship in the field of medical tourism in the resource region - Kuzbass. The purpose of the study is to determine the possibilities of expanding the export of medical services in the resource-type region. Analysis of data on the state of medical tourism, the potential of health and tourism industries in the region allowed us to conclude that there is a need for joint cooperation on the basis of regional clusters – biomedical and tourism and recreation, and to encourage and support joint cluster initiatives in the field of medical tourism.

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*Keywords:* Cluster initiatives, Medical tourism, productive entrepreneurship



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## 1. Introduction

The ambitious goals of modern Russian healthcare are defined by the state program of the Russian Federation "Development of healthcare" and fixed in the passport of the national project "Healthcare". It is about a four-fold increase in the volume of exports of medical services by 2025. The Federal project "Development of export of medical services" contains specific targets that guide health care institutions to increase the number of treated foreign citizens from 432 thousand people in 2018 to 1200 thousand people by 2024. The implementation of the project requires the development of a communication system between medical service providers – domestic medical organizations and customers – foreign citizens about medical services provided on the territory of the Russian Federation. The Federal project also involves the introduction of a system for monitoring statistics of medical institutions of both state and private ownership in terms of the volume of medical services provided to foreign citizens. These tasks of high importance in the project are defined as sufficient and effective in terms of developing the export of medical services.

The effect of the Federal project is the development of medical tourism, since the export of medical services involves the medical assistance to foreign citizens, usually on the territory of the Russian Federation. Despite the fact that the concept of medical tourism is not defined in the legislation of the Russian Federation, tourism in accordance with the Federal law of November 24, 1996 N 132-FZ "On the basics of tourist activity in the Russian Federation" is a temporary departure from a permanent place of residence associated with tourist purposes, including medical and recreational ones. The world health organization defines medical tourism as a trip abroad to receive medical care.

Thus, achievement of target indicators of the Federal project "Development of export of health services" due to valuation of foreign citizens to the attractiveness of medical services (tourism resources) and the tourism product as a whole includes a complex of services on transportation and accommodation, a wide awareness of the possibilities of the territory one's stay in, etc.

Therefore, the competitiveness of the territory – the place of stay of a tourist – is significantly determined by the capabilities of its tourist infrastructure. The infrastructure of medical tourism as a mandatory component includes a set of accommodation facilities, medical organizations, specialized medical centers, organizations that provide diagnostic services, and health-resort treatment. But recreational facilities that traditionally attract tourists to a specific territory are also attractive elements of the infrastructure: cultural, historical, natural, and entertainment. In addition, there is a level of services in the territory in such areas as catering, hospitality, transport, insurance, legal support, information systems, etc. Therefore, medical tourism is a direction that integrates the sectors of health care, social and cultural services, hospitality and tourism into a single system of markets with specific infrastructure.

For the export of medical services, the territorial aspect is of particular importance. Researchers note that the main reason for the development of medical tourism is the relative difference in the level of health care, quality and cost of medical services in different territories (Kalistratov et al., 2018; Veselova, 2016). Targeted state support for medical organizations participating in the Federal project and subjects of the Russian Federation implementing their own projects to develop the export of medical services gives regions a chance to improve the state of regional health care, the quality and availability of medical

services. Combining the efforts of two industries – healthcare and tourism – increases the multiplier effect: both industries have a significant potential to involve enterprises of other industries in their economic turnover (Aparina et al., 2019). In the context of the current crisis in the Russian economy, burdened by the problem of the spread of coronavirus infection, the question of finding industries with the potential for non-primary exports is becoming more acute. This problem is particularly relevant for "resource-type" regions that are significantly dependent on commodity exports. One of these regions is Kuzbass.

## **2. Problem Statement**

The medical tourism market is large and fast-growing. Experts estimate its growth at 25% annually. According to the medical tourism index (MTI) in 2025 the global market turnover will be more than \$ 3 trillion. Canada, Singapore, Japan, the United Kingdom, Israel, and other countries are leading in the ranking of countries by popularity. Russia ranked 41 out of 46 countries for which the index is calculated in 2019 (Medical Tourism Index 0-2021 2020). This indicator assesses the tourism potential of the territory in terms of its reputation, tourism infrastructure and health sector potential. .

Tourists are attracted by the opportunity to receive high-tech medical care at a level higher than in the country of residence, diagnostic capabilities, the level of service and comfort that can be obtained in clinics abroad, reducing the waiting time for medical services, etc. The relative level of prices for medical services is also a determining factor for medical tourism (Goroshko, Patsala, 2018; Molchanov, 2019).

But the prospects for medical tourism in general are associated with the development of productive entrepreneurship in the territory, which has a high potential for attracting tourists.

The problem addressed by the study is related to the assessment of the potential of productive entrepreneurship in the field of medical tourism. Productive entrepreneurship is an activity that benefits society in the form of an additional product; it is based on long-term investments and innovations (Baumol, 2013).

The educational and research sectors of the economy make a special contribution to the development of productive entrepreneurship. An alternative to the model of productive entrepreneurship is rent-oriented behavior, the source of which is access to limited resources, primarily raw materials.

This behavioral model increases the resource dependence of regions, reduces the attractiveness of investment in industries with a long payback period, and fixes industry imbalances in the regional economy. The distribution of entrepreneurs between productive activities and rent-seeking determines the "quality" of entrepreneurship and the "quality" of state policy on entrepreneurship, including in the field of medical tourism (Chepurensko, 2012).

## **3. Research Questions**

Productive entrepreneurship is focused on the production of innovations, which according to J. Schumpeter are presented to customers in the form of new or modified goods, new technologies, production methods, new markets, etc. (Antipina, 2014).

Medical tourism is a business sector with a high innovative component. Innovations provide high dynamism of the industry, stimulating competition between medical organizations, significantly

increasing the export potential of the medical industry. Experts note the growth of investment in medical tourism in a globalized economy, the high demand for highly qualified specialists, the expansion of the network of world-class clinical institutions, the development and implementation of the newest medical technologies.

The research subject is the potential of productive entrepreneurship in the field of medical tourism in the region dependent on raw material exports - Kuzbass.

#### **4. Purpose of the Study**

The purpose of the study is to determine the possibilities of expanding the export of medical services in the resource-type region.

In Kuzbass, there are prerequisites for the export of medical services based on the innovative potential of regional health care. 23 medical organizations in the region provide high-tech medical care. The domestic market of this area is developed: in 2018 82.4% of patients received high-tech medical care in medical organizations of the region, without leaving its borders. Innovative technologies are being actively implemented in the practice of leading healthcare institutions. Thus, in 2018, the research Institute of complex problems of cardiovascular diseases implemented 22 innovative methods of treatment, diagnosis and rehabilitation in the field of cardiology and cardiovascular surgery.

There are three transplant centers in the Kemerovo region. The operations performed comply with European standards. The transplantation center of the Kemerovo regional clinical hospital named after Belyaev ranks first in the country in terms of the number of kidney transplantation operations. A project office for the development of organ transplantation has been established in Kuzbass, which increases the potential of transplantology.

The development of high-tech medical care in such areas as diseases of the cardiovascular system, traumatology and orthopedics, neurosurgery, obstetrics and gynecology, oncology and neonatology contributes the growth of the innovative potential of medical institutions in the region.

The innovative potential of medical organizations in the Kemerovo region allowed 10 of them to participate in a project to develop the export of medical services. For its successful implementation, a version of the website of the Department of public health of the Kemerovo region in English has been developed (<https://kuzdrav.ru/public/foreign/>). Potential "medical" tourists are informed about the possibility of receiving medical services in the region.

According to the Ministry of health of the Russian Federation on the results of a regional project "Development of export of health services" in the framework of the National project "Healthcare", Kemerovo region is the leader in the Siberian Federal district in the number of treated foreigners. In the first nine months of 2019, more than 33.000 foreign patients applied for medical care in the region. The amount of income of medical organizations only from the personal funds of foreign patients amounted to 54.5 million rubles.

Most often, residents of the CIS countries – Kazakhstan, Uzbekistan, Azerbaijan, and others apply to medical organizations in the region. There are also requests from patients from Israel, Italy, Poland and Thailand. The structure of exports of medical services is dominated by midwifery, obstetrics and

gynecology, traumatology and orthopedics, surgery, ophthalmology, dentistry, as well as treatment in therapeutic departments.

The Greatest demand among foreigners is for medical services provided by the regional clinical center for miners' health in Leninsk-Kuznetsk (Malinina, 2019)

At the same time, experts note that the region's competitive advantages are largely based on relative price advantages for medical services. Of course, the current crisis situation worsens the situation with the expansion of export opportunities for Kuzbass healthcare. In general, turnover fell in industries affected by restrictions and bans of the high-alert mode. According to experts, the medical services market tends to decline (for example, in April 2020, it decreased by 38% to 460 million rubles from 743 million in March of the same year).

But the problems of developing medical tourism, and, consequently, increasing the export of medical services in the region, are sustainable, not related to the current restrictions in the industry. The root of the problems lies in the insufficient orientation of the industry to the development of productive entrepreneurship.

## **5. Research Methods**

The study analyzed data from the territorial body of the Federal state statistics service for the Kemerovo region, annual monitoring of the state of development of the competitive environment in the markets of goods, works and services of the Kemerovo region, as well as the results of an expert survey of entrepreneurs of the Kemerovo region.

## **6. Findings**

The development of non-resource exports in Kuzbass requires significant investment. The industry structure of investments in fixed assets is indicative: in 2018, 94,600 million rubles (51.7% of the total investment) were invested in mining at actual prices. In conjunction, 1,898 million rubles were invested in the healthcare and social services sector (1 % of the total) (Kuzbass. Statistics Yearbook, 2019).

Medical and health tourism has a certain potential for forming the tourist flow and increasing the export of medical services (Noskova, 2014). In accordance with the "strategy for the development of tourism in the Kemerovo region until 2025", this type of tourism belongs to the main types of domestic and inbound tourism.

Local health resorts offer modern highly effective treatment methods; have significant experience in health and wellness activities, use the local resource base. But none of the health resorts is included in the list of organizations participating in the regional project "Development of export of medical services". Opportunities for health tourism in the region are limited by such factors as low tourist attraction, outdated funds, etc.

Participants in the medical tourism market in the healthcare sector are both public and private medical institutions. The export of medical services is mainly focused on the growth of income from activities that generate income – paid medical services. Therefore, for export growth, it is primarily important for potential consumers to assess the diversity, cost and quality of medical services.

The annual monitoring of the population's satisfaction with paid medical services in the Kemerovo region shows that the satisfaction index is low according to such an assessment criterion as the ability to choose medical services. According to the results of the survey, it is obvious that more than half of the respondents (51.2%) are not satisfied with such an indicator as "the possibility of choosing a medical service". Only 29.6% of respondents are satisfied with it; 19.1% of survey participants found it difficult to answer (Report "State and development of the competitive environment in the markets of goods, works and services of the Kemerovo region in 2019", 2020).

Relative prices and quality are also important criteria for choosing paid services. Monitoring showed that respondents rate the prices of medical services in Kuzbass as higher than in other regions and the quality as lower than in other regions (Table 1).

The basis of regional exports of medical services is the possibility of obtaining high-quality and accessible medical care. But the specifics of exporting these services are determined by the fact that the patient is also a tourist. For the formation of tourist flows, an important factor in the choice of the region of stay by potential tourists is the comparison of the tourist components: climate, accessibility, location of the territory, accommodation opportunities, services, tourist infrastructure, opportunities for combining treatment and recreation.

Monitoring data indicate a low assessment of the quality of tourist services by consumers in comparison with other regions, while prices are estimated as relatively high (table 1).

**Table 1.** Consumer assessment of the price level and quality of goods (or) services in the markets of the Kemerovo region in comparison with other regions in 2019

Services	Number of votes				Rate, %			
	Price level		Quality		Price level		Quality	
	Higher	Lower	Higher	Lower	Higher	Lower	Higher	Lower
Medical services	3710	1213	1950	2973	75.4	24.6	39.6	60.4
Tourist services	3210	1099	1620	2689	74.5	25.5	37.6	62.4

Compiled by the report "State and development of the competitive environment in the markets of goods, works and services of the Kemerovo region by the end of 2019" (Kemerovo, 2020. p. 102).

These indicators allow us to conclude that in the region it is necessary to develop productive entrepreneurship in the tourism industry in general and medical tourism in particular in order to increase the potential for exporting medical services.

Experts note the high potential of the tourism sector. In 2018, according to Rosturizm, the industry's contribution to GDP was 3.47%. But there is a lag behind global trends.

The situation is compounded by a decline in investment in related industries that are important to consumers. Thus, in 2018 in the Kemerovo region, the volume of investments decreased in comparison with 2017 in the activities of hotels and public catering enterprises (from 0.2% to 0.1% of the total), as well as in the fields of culture, sports, leisure and entertainment (from 0.8% to 0.3% of the total).

The development of the export of medical services implies the strengthening of the tourist component of the medical tourism market. This is also laid down in the Federal project "Development of export of medical services", which, in particular, involves measures to improve the infrastructure of medical organizations and the development of services.

The Kuzbass tourism industry requires investment in the development of productive entrepreneurship. These conclusions are based on the results of an expert survey of entrepreneurs - managers of tourist enterprises. The survey was conducted in 2015 to assess the prospects for creating a tourist and recreational cluster in the Kemerovo region (19 experts). The purpose of the survey was to assess (on a scale from 0 to 5) the potential attractiveness of tourist resources, infrastructure, and consumer characteristics of tourist products in the Kemerovo region.

The results show that the most highly evaluated experts assess the availability and condition of natural tourist resources of Kuzbass (an average of 4.8 points), cultural and historical heritage sites (3.6) and tourist and recreational areas (3.6). These components of tourist resources allow extraction of income that is not associated with a significant amount of investment, stimulate rent-oriented behavior of entrepreneurs by creating restrictions on access to these resources.

At the same time, tourist resources which are the result of investment and characterize the potential of "productive entrepreneurship" in the tourism sector received low ratings: the quality of tourist products - 2.95 points; the level of service of tourist enterprises – 2.84; the quality and availability of sales channels - 2.68; the level of safety of tourist products - 2.63; the availability and quality of information - 2.32 (Aparina, 2015).

## **7. Conclusion**

Improving the quality of tourism resources is a task that requires to be addressed urgently to attract foreign tourists to the region. It seems that the Federal project "Development of export of medical services" gives an impetus to this direction. In addition to the public health sector enterprises participating in the project, medical organizations of the commercial sector, tour operators and travel agencies and tourism infrastructure enterprises are interested in the development of medical tourism. This requires serious consolidation of all stakeholders, creation and implementation of joint projects in this tourist destination.

The Federal project "Development of medical tourism" involves consolidating the efforts of the Ministry of health of the Russian Federation, Rosturizm and other organizations engaged in intersectoral cooperation to assess the potential for increasing the export of medical services. The project has developed a program of communication activities to attract foreign citizens to provide them with medical care in medical organizations of the Russian Federation. However, the prospects for the export of medical services are significantly related to the presence of barriers that can only be overcome by combining the efforts of representatives of the tourism and health sectors.

The survey of experts - managers of tourist enterprises showed that there are problems of consolidation in the tourist market, which makes it difficult to implement joint projects. Organizational conditions for tourism development in the region are rated low: regulatory support (on average) -3 points; partnership of government, business, scientific and educational institutions in the development of tourism - 3.00 points; cooperation of local travel companies -2.56 points.

In the Kemerovo region, opportunities for intersectoral cooperation are available on the basis of existing clusters in the region – biomedical and tourist and recreational. The development of medical tourism requires increasing the attractiveness of available tourist resources, the quality and variety of

medical services with a high innovative component, developing the potential of health tourism. This makes it necessary to develop joint strategies to attract tourists to the region with the participation of business, state authorities, institutions participating in the Federal project, and other interested parties, as well as to encourage and support joint cluster initiatives in the field of medical tourism. Cluster initiatives are needed in areas that reduce barriers to the development of medical services exports: training of highly qualified personnel, development and promotion of advanced medical technologies, tourism and medical logistics, visa facilitation, support for "medical tourists", etc. (Katukov, 2014; Titova & Titova, 2017).

Therefore, the development of the export of medical services associated with the development of productive entrepreneurship in the region, because it requires creating investment flows to the health sector and tourism, involvement of entrepreneurs in the development of these sectors of the economy, development of mechanisms of state-private partnership. Only joint efforts will make it possible to make revenues from the export of medical services sustainable sources of financial support for the budgets of territories, medical organizations and enterprises in the tourism sector of the economy.

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