

5.5 Cross border trade

Value of services exchanged

There is no single organization or association that captures the export revenue from healthcare services. Some services are covered under the IT enabled services industry while some are covered under the pharmaceutical and healthcare industries.

Today, the nodal agency for IT enabled services is NASSCOM³. NASSCOM maintains a database of all the prominent companies in this service segment, their service areas and revenues. However, NASSCOM doesn't have any data on health service revenues. This is due to the fact that members do not divulge their revenue according to sub service segments for competitive purposes. Membership of NASSCOM is voluntary; hence the data generated by NASSCOM may not encompass the entire industry but definitely gives an indication of the overall market size.

At a regional level, the "Software Technology Parks of India" (STPI) maintain revenue details of companies who are registered with them. Even here, only the overall revenue of a company can be obtained. Domain specific revenue details are not available.

Other organizations who collect this kind of data on a time to time basis, fall under the Federation of Indian Export Organizations

- Electronics & Computer Software Exports Promotions Council
- Basic Chemicals, Pharmaceuticals & Cosmetic Export Promotion Council etc.

Given below are the results tabulated for (all) IT enabled services for the year 2002. Healthcare services are included:

NASSCOM

Service Segments	Revenue (in Rs. Mn.)	Employment
Customer interaction services	17900	33,800
Data entry & conversion, Finance & Accounting & HR services	28500	35,000
Transcription / Translation services	1500	5,200
Content development, Animation, Engineering and Design/GIS	21000	30,000

³ The apex National Association for IT Software and Service Companies.

Other Services: Remote education, Data Search, Market Research, Network Consultancy & Management	2100	3,000
Total	71,000	107,200

ESC data in 2000 & estimate for 2005

Service Segments	Revenue (Million US \$)		Employment	
	2000	2005	2000	2005
Customer interaction centers	60	2250	3,000	102,000
Medical transcription	28-30	800	6,000	45,000
Financial & Accounting services	50	375	2,000	15,000
Medical billing & collection	3	75	350	2,500
Insurance claims processing	13	30	2,500	5,000
Pre-press and digital pre-media	45	200	11,000	45,000
Distance learning	-	50	1	7,000
Geographic Information Systems	60	150	5,500	13,000
HR services	-	115	-	6,000
Litigation support services	3	27	200	2,000
Total	264	4,072	30,550	242,500

As of 2002, 85% of the export revenues from IT enabled services came from USA. This is likely to continue for the following reasons:

- USA based companies have been more open to outsourcing and have been the first to outsource to offshore locations such as India than their counterparts in other countries
- Healthcare in USA is more regulated than in other developed countries. This has resulted in a lot more administrative work. The USA is more likely to outsource its healthcare administration work than other developed countries

- USA being an English speaking country finds it easy to outsource its administrative work to countries such as India, which have a huge English speaking population. Language barrier is one of the reasons for Indians not being able to tap the European market fully. Today, 85% of the ITES revenue comes from USA, 10% from Europe and 5% from rest of the world