Private Sector Participation and Health System Performance in Sub-Saharan Africa

There is little consensus about the appropriate role of the private health sector in developing countries, particularly as it affects access and equity. Critics of increased private sector participation argue that high fees are likely to exclude the poor, while proponents argue that relieving severe health care resource constraints may increase access and allow governments to focus more attention on the poor.

To address this knowledge gap, RAND and University of Southern California researchers analyzed nationally representative data on child and maternal health care use from 34 sub-Saharan African countries to examine the association between the degree of private sector participation in the health care system and outcomes related to access and equity. The analysis focused on births/deliveries and treatment of acute respiratory illness for children under three years of age. The analysts used statistical techniques to control for potentially confounding factors that might influence the results.

Key findings from the analysis include the following:

- Increased private sector participation is strongly associated with increased access to health care facilities. For example, estimates suggest that a 10-percentage-point increase in the number of children treated for acute respiratory illness in a private health care facility is associated with an 11-percentage-point increase in the number of children treated for acute respiratory illness in any health care facility. Access to health care facilities for childbirth is also significantly higher when private sector participation is higher.

- Increased private sector participation is associated with reduced disparities in care, as measured, for example, by the relative likelihood that women from rich households give birth in a health care facility compared with that for women from poor households or the likelihood that rich children receive treatment for respiratory illness in a facility compared with the likelihood for poor children. Analyses identified similar reductions in urban-rural access disparities.

Overall, the study points to the potential importance of private sector health care in sub-Saharan Africa. However, the authors note that the appropriate role for the private health sector may be country-specific and depends on the health care financing system, the organization of the public health sector, and the ability of governments to provide effective oversight.
This fact sheet was written by Mary E. Vaiana. The RAND Corporation is a nonprofit institution that helps improve policy and decisionmaking through research and analysis. RAND's publications do not necessarily reflect the opinions of its research clients and sponsors. RAND® is a registered trademark.

RAND Offices
Santa Monica, CA • Washington, DC • Pittsburgh, PA • New Orleans, LA/Jackson, MS • Boston, MA • Doha, QA • Cambridge, UK • Brussels, BE