

**Factors Influencing Health Service Providers Participation in  
Output-Based Healthcare Provision to Poor Households in  
Kisumu District through Public Private Partnerships**

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## **ABSTRACT**

Challenges facing the traditional public health groups (Governments, international health organizations and non-governmental organizations) for example declining revenues, limited financial resources, complex social and behavioral problems , rapid transmission of diseases across national boundaries and reduced state capabilities, against the desire of these groups to deliver social services and infrastructure in new ways have accelerated the need to enter into partnerships with the private sector. Hence public-private partnerships are becoming a popular mode of tackling these increasingly elusive social goals. This study was an exploratory survey that investigated the role of Output-based approaches (OBA) in the development of such public-private partnerships for healthcare provision. It involved conducting in-depth interviews with the public and private healthcare facilities within Kisumu district. It investigated how health service providers' (HSPs) perceptions on the key OBA aspects, namely, levels of reimbursement offered against services delivered, monitoring environment and payment transfer mechanisms influenced their participation in a project funded by the Government of Kenya/German Aid agency for the provision of reproductive health and family planning services to poor households in Kisumu District. Although the study proposed to conduct a census survey on all the forty institutional health service providers in Kisumu district, OBA accreditation criteria restricted the survey to only twenty eligible providers. The results demonstrated a strong positive association between cost-benefit perception and HSPs decision to participate in the scheme, while there was no association between HSPs decision to participate in the scheme and their perceptions on monitoring and payment transfer mechanisms. These results demonstrated the interplay between and among the three key OBA aspects and how this determined perceptions on the overall partnership risk by the private HSPs. The study concluded that successful structuring of OBA,

taking all these concerns into consideration minimizes overall perceived risks by the private sector providers thereby attracting private sector resources in the delivery of public services (in this case reproductive health and family planning services) through beneficial public-private partnerships.