

Private Healthcare in Developing Countries



NEWS & EVENTS

2/14/09

Oxfam Releases Report Criticizing International Donor Support of Private Sector Health Care Delivery

In a [recent report](#), Oxfam called into question the logic used by international donors for funding private healthcare interventions in the developing world. The “Blind Optimism” report raised heated controversy [on the internet](#) and responses from the [World Bank](#) and in the [BMJ](#).

3/1/09

ACT Anti-Malarial Medications Show Effectiveness Beyond 2 Year Shelf-life

In a recent study published in the *Malaria Journal*, Bate et al. report on a multi-pronged investigation into the chemical and physical effectiveness of artemisinin combination therapy (ACT) in uncontrolled conditions in tropical Africa. The researchers found that 94% of the drug samples collected from private pharmacies, in seven tropical African countries, maintained their chemical effectiveness between eight and 65 months after the expiration date. The authors argue for additional testing of the chemical effectiveness of ACT, and a re-evaluation of the recommended shelf life by drug regulatory authorities. [Link](#)

Above: Artemisinin combination therapy medication

The Effect of Removing Direct Payment for Health Care Utilization and Health Outcomes in Ghana

Ansah et al., *PLoS Med* 2009

This study reports on a randomized control trial of free health care in rural Ghana to determine the degree to which out-of-pocket payments, rather than quality of service, cultural factors, availability of services, or distance to services, affect health-seeking behavior and associated health outcomes. In the trial, 1227 Ghanaian youth were provided free access to primary and secondary care and free drugs while the control group received no financial assistance. The intervention group demonstrated a marked decrease in the use of informal health care, such as traditional healers or home remedies, compared to the control group. Free health care further had a “modest but significant” impact on health care use - children were taken to primary health care facilities more frequently in the intervention group (2.8 episodes per person year) than in the control group (2.5 episodes per person year). The researchers found no significant difference between the groups in number of episodes of fever, deaths, or prevalence of anemia or malaria. These results, showing no correlation between free healthcare and health outcomes, call into question the idea that fees provide a critical barrier to health access, suggesting a greater role for other factors such as distance to health care facility and lack of knowledge about when to use health care services in producing outcomes. [Link](#)

Utilization of Public or Private Health Care in Uganda

Rutebemberwa et al., *Malaria Journal* 2009

In a study of healthcare utilization, Rutebemberwa et al. investigate the health seeking behavior of caretakers with febrile

children in Uganda where, in 2001, user fees were removed from government health facilities. The authors found that two-thirds of the treatment for febrile children occurred at drug shops or private clinics. This was primarily due to issues of proximity, affordability, ability to get treatment on credit, and a conception of a lower disease severity. The authors note that private shops and clinics provide an intermediary stage between initial home treatment and more urgent treatment at government health centers. Rutebemberwa et al. argue for expanding multifaceted interventions for private providers including training and drug subsidy with close monitoring given their role in the continuum of care. The authors also note that integrated case management of illnesses by trained community members are effective if drugs for both malaria and other illnesses are provided. [Link](#)

Revolving Drug Funds in Khartoum state, Sudan

Ali G, *Bulletin of the World Health Organization* 2009

Gamal reports on Khartoum state’s experience in implementing a revolving drug fund (RDF) to create a sustainable drug supply system for shops and pharmacies. Ali notes that RDF pharmacies successfully secured a high market share of drug sales in Khartoum state, reported lower levels of stock-outs as compared to non-RDF pharmacies, and increased “geographical equity of access to medicines.” The success of the program was heavily dependent on logistic consultation and initial financial investment from donors. The author notes that political support, through allowing pharmacies financial and management autonomy, was crucial to program success. [Link](#)



NEWS & EVENTS

MAR. 31 - APR. 2

Ministerial Meeting on Public Private Investment Partnerships in Maseru, Lesotho

This meeting of health and finance ministers from nine southern African countries, hosted by the Ministers of Health and Finance of Lesotho, will introduce a new public-private partnership model incorporating investment, construction, and long term service provision contracting.

MAY 26 - 30

International Global Health Conference in Washington, D.C., USA

This conference will focus on the role of information and communication technology in improving health throughout the world. Sessions will be conducted on role of private organizations, including NGOs and corporations, in "developing, manufacturing and distributing technologies and in providing health-care services" through public-private partnerships and global development alliances.

JUL. 11, 2009

Role of the Private Sector in Health Symposium, Beijing, China

This iHEA pre-conference symposium will bring together policymakers and researchers to map out knowledge on the role of the private sector in health care and health systems development and to determine where further research is needed.

Above: mHealth with PDAs in Indonesia

Report Overview: mHealth in Developing Countries

United Nations Foundation 2009

In a report on the nascent field of healthcare delivery through mobile devices, the United Nations Foundation and Vodafone explore the potential for mobile phones to increase access to healthcare and health information for rural and marginalized populations, to aid in diagnosing and monitoring diseases, and to expand training and education access for health workers. The report profiles fifty-one existing or planned mobile health projects including: SMS alerts to provide disease information in India and South Africa, PDA use to collect field data in Uganda and Brazil, mobile communication to monitor medicine adherence and health conditions in Thailand, and PDA based step-by-step diagnostic tools and reference kits for health workers in Mozambique. The report notes a dearth of "large scale evidence" on the effectiveness of mobile health projects in improving health or economic outcomes yet argues that mobile health represents a rich intersection between private sector interests (including mobile service providers and vendors) and public health goals, noting the possibility for continued and expanded collaboration. [Link](#)

Equity in Community Health Insurance Schemes in rural Armenia

Polonsky et al., Health Policy and Management 2009

Polonsky et al. examine whether community health insurance (CHI) schemes equitably provide care in rural Armenia. The CHI schemes, established by Oxfam and coordinated by local NGOs, attempt to address rural Armenian equity and access problems

caused by large out-of-pocket costs and informal payments for the state-funded health system. From a survey of villages with and without CHI schemes, the authors conclude that healthcare utilization is higher in villages with CHI plans, particularly among the poorest quintile, women, and the elderly. Additionally, in villages with an established CHI scheme, both members participating in the scheme and non-members had higher rates of utilization compared to non-CHI villages, possibly related to improvement in the quality of care. Yet, Polonsky et al note that the overall participation rate in CHI schemes was low, possibly due to issues of affordability, dissatisfaction with the package of care offered, and free-riding of non-members for emergency services. The authors conclude that the increased equity present in rural Armenia can be attributed to a "sustained and significant external subsidy," close supervision by funders and implementing NGOs, local ownership, and premium exemptions for the poorest residents. [Link](#)

In other news...

Franchised Restaurants Report Increased Hygiene in Los Angeles

Jin and Leslie, American Journal of Microeconomics 2009

In an econometric analysis of restaurant hygiene quality in Los Angeles, Jin and Leslie report that franchised chain restaurants have significantly better hygiene than independent restaurants because of the reputational effects of franchise branding. An information asymmetry exists in food service (because the quality of the product is not observed until after purchase) forcing consumers to purchase products based on factors like reputation and brand recognition. The reputational effects confirmed by this study may explain the success of clinical social franchises in developing countries where similar information asymmetries exist. [PDF](#)

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