



# The Role of the Private Sector in HIV/AIDS Service Delivery: Financing and Utilization Patterns in Four Sub-Saharan African Countries

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## Background

- National stakeholders increasingly considering the private sector as a potential partner for sustaining the response to HIV and AIDS.
- What we know about general healthcare seeking from the private health sector:
  - Use is considerable: Data from 11 African countries shows 45% use private for-profit health provider
  - Even the poor use the private health sector: Data from 17 African countries shows that 49% of families in the poorest wealth group sought curative care from the private health sector
- However, not much is known about the private sector's role in financing and delivery of HIV and AIDS services
- Purpose of study: To document the role of the private health sector in the HIV/AIDS response
  - Focus on utilization and financing patterns in Rwanda, Malawi, Tanzania and Zimbabwe

Sources: WB Development Indicators, 2006 (1995-2006), IFC Report 2007 The Business of Health in Africa, Marek T. et al, 2005; SARA Project 2004.

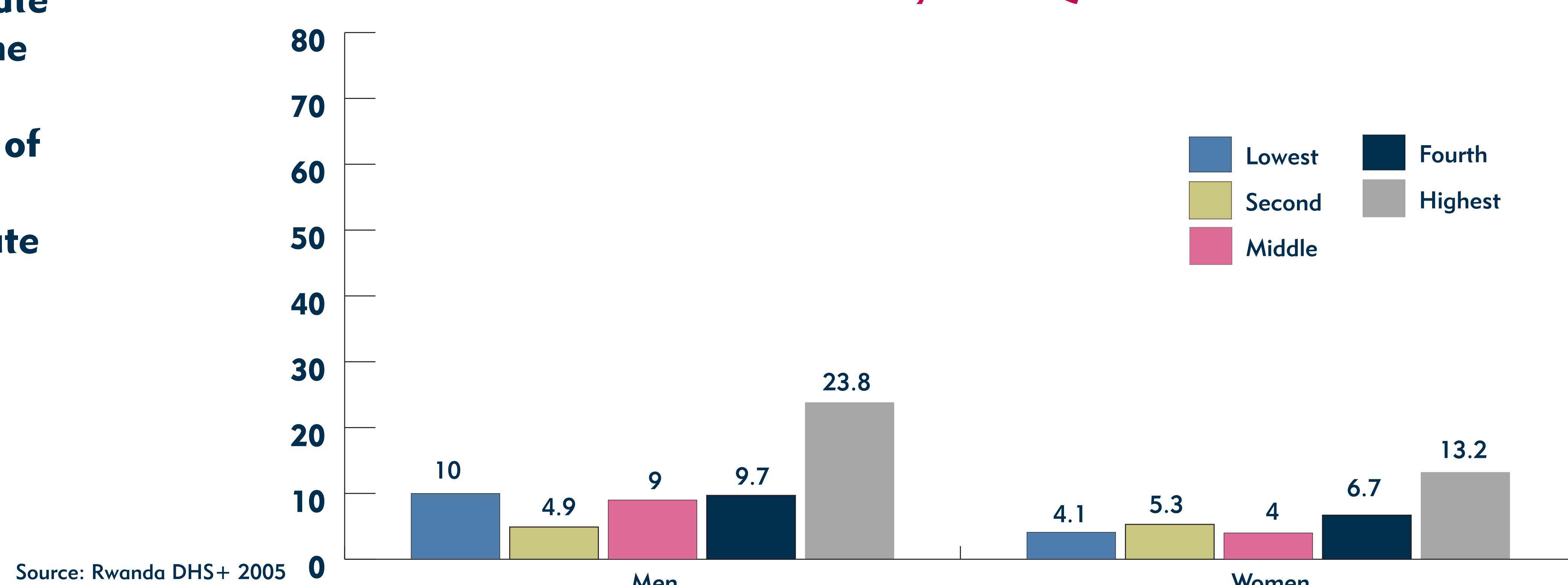
## Methodology

- Reviewed existing literature and data sources, including
  - Demographic and Health Surveys (DHS)
  - AIDS Indicator Surveys (AIS)
  - National Health Accounts (NHA) HIV/AIDS Subaccounts
- Comparative analysis focused on
  - Service utilization
  - Wealth status
  - Private sector financing and consumption of HIV resources relative to the public sector

## Findings

- PLWHIV are seeking out the private sector, even in countries where the sector is small
  - For example, in Rwanda 7.9% of women and 14.3% of men received HIV tests from a private facility and this increases with wealth

Percentage of Men and Women in Rwanda Who Received HIV Test from Private Provider by Wealth Quintile



- Private sources of financing for HIV/AIDS health care has decreased since the advent of Global HIV/AIDS initiatives
  - Private Firms are spending less on HIV/AIDS care in Rwanda and Malawi
    - Potential missed opportunity for resource mobilization from this sector
  - PLWHIV spend largely the same or less out-of-pocket (OOP), possibly due to increased donor funding for HIV treatment
    - Potential impact on private providers, as PLWHIV may shift from receiving care from private sector, and instead seek free or subsidized services from the public or NGO sector

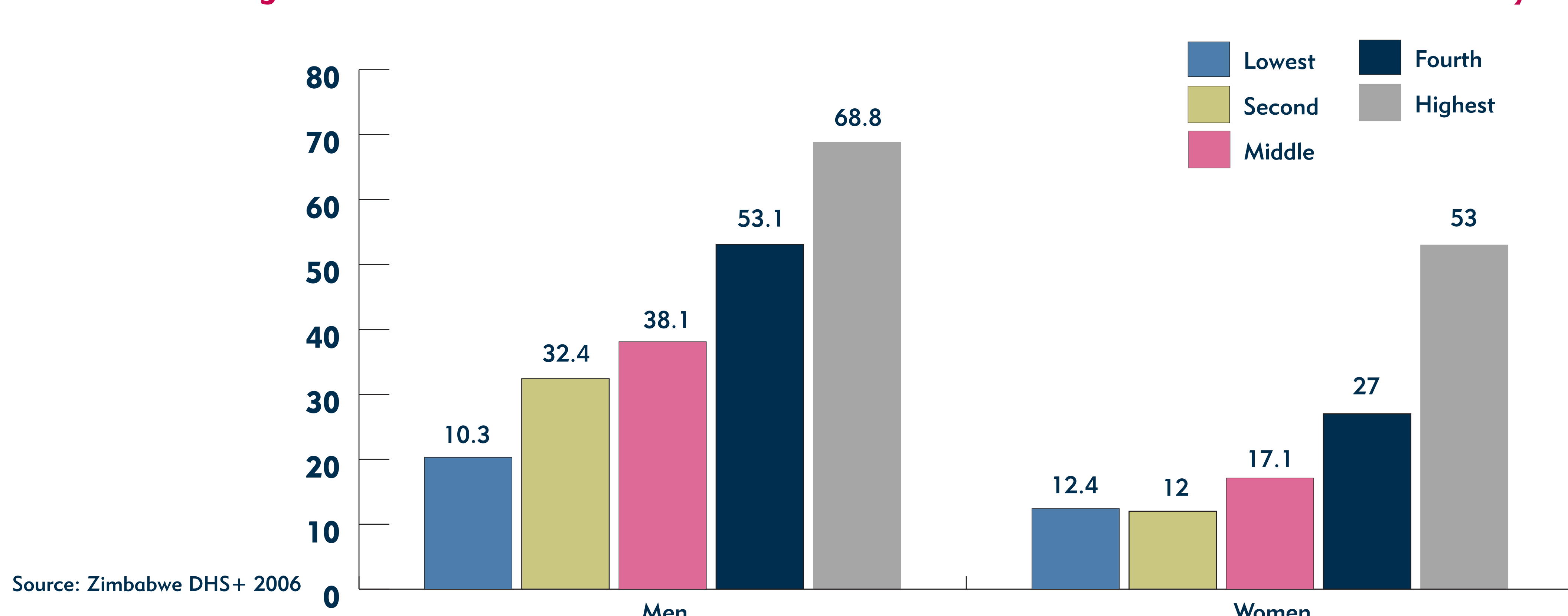
Financiers of HIV/AIDS health care in Rwanda, Malawi, Tanzania pre- and post- Global HIV Initiatives

Magnitude of change between 2002 and 2006	Rwanda	Malawi	Tanzania
Public	1.9 ↑	1.1 ↑	17.1 ↑
Households	0.9 ↓	1.5 ↑	1.0
Other private	0.2 ↓	0.8 ↓	6.4 ↑
Donors	7.8 ↑	3.4 ↑	7.6 ↑

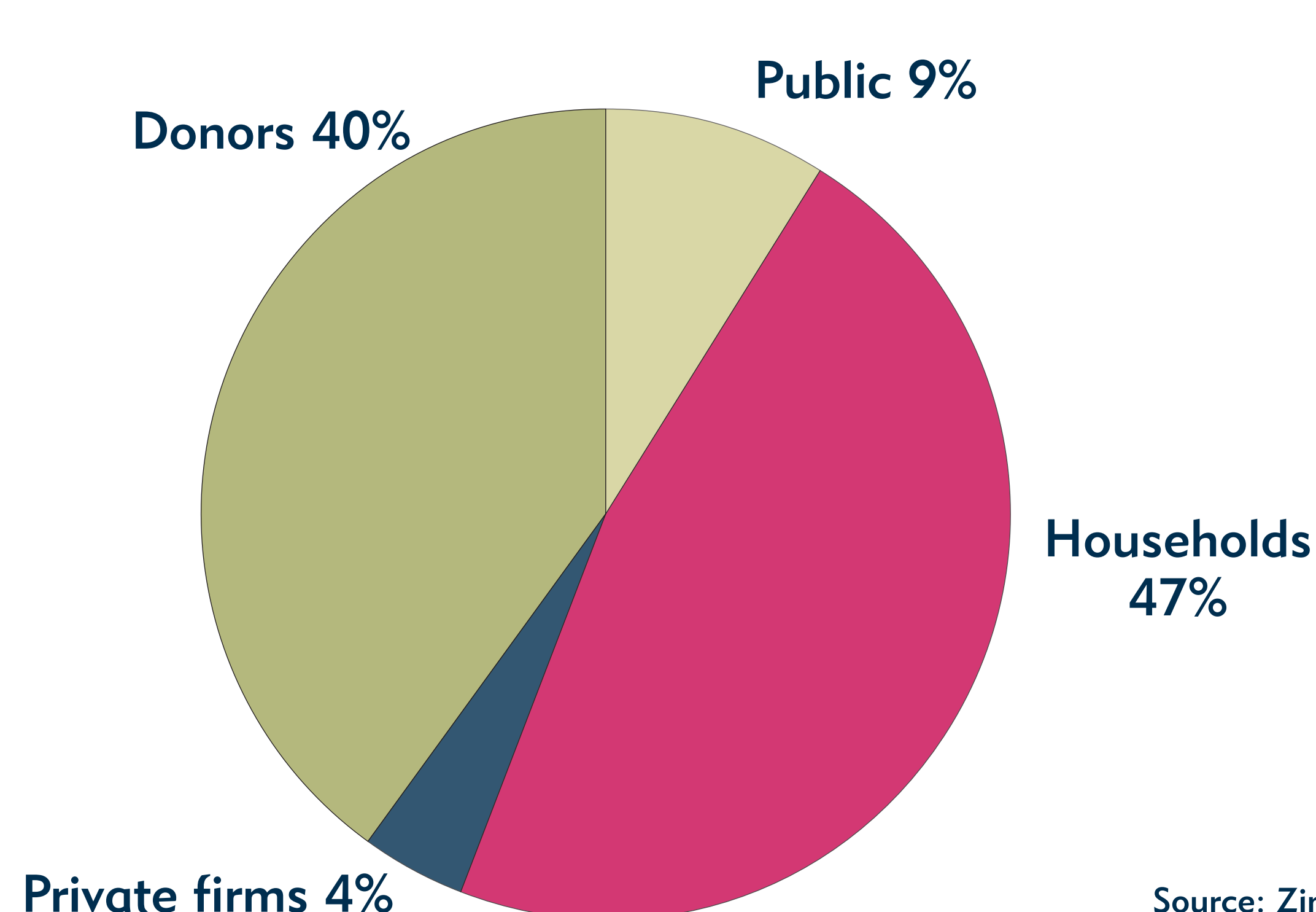
Source: HIV/AIDS subaccount reports from Rwanda, Malawi, Tanzania

- In countries with weak donor and public support, the private sector can be a major source of HIV/AIDS service delivery and financing. In Zimbabwe
  - 52% of men and 30% of women received HIV test from private provider
  - 33% of men vs. 16% of women received STI treatment from a private provider
  - Private HIV testing increases with wealth, particularly among men

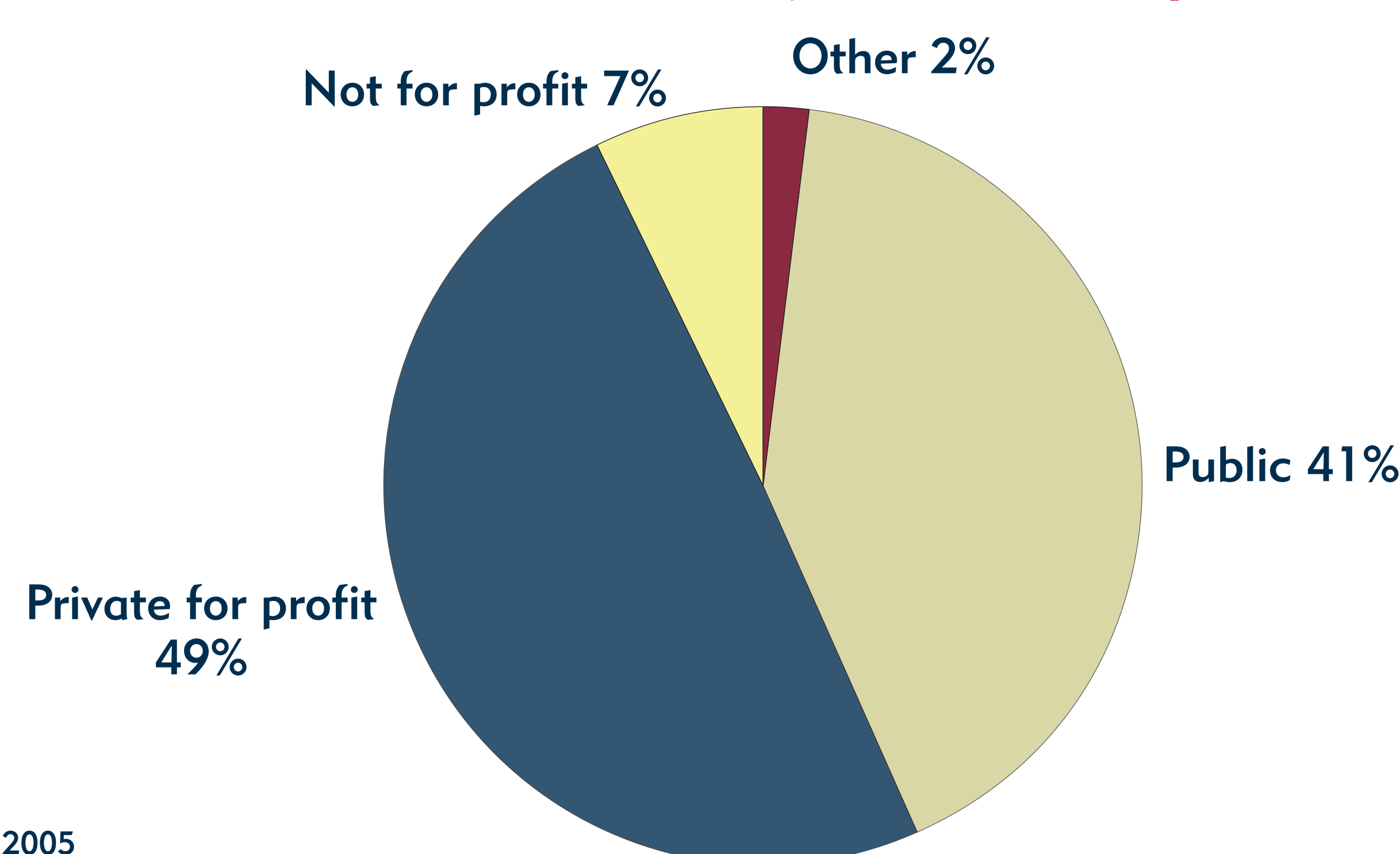
Percentage of Men and Women in Zimbabwe Who Received HIV Test from Private Provider by Wealth Quintile



Who pays for HIV/AIDS Services?



Where do PLWHIV spend their money?



- To a large extent, these financing patterns mirror the utilization findings, both showing a significant role for the private for profit sector in Zimbabwe

## Discussion

- Private sector role in HIV prevention and treatment varies by country, and donor funding levels appear to contribute to this variance
- Further documentation of private sector utilization and financing trends specific to HIV is important as demands grow
- In light of challenges faced by Ministries of Health, broader consideration of private sector as potential partner in expanding access to, and potentially financing, HIV and AIDS services may be warranted

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### For more information:

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