

# Health in low-income countries: Outsourcing and cash incentives may help

October 7 2009

---

Contracting private providers of healthcare services and giving cash incentives to patients are two strategies that have been proposed to increase access to healthcare in low income countries. In two new Cochrane Systematic Reviews of public healthcare policies in poor and middle income countries, researchers evaluated the effectiveness of these approaches for increasing use of health care services. The cash incentives review is the first ever systematic review on this subject.

One way that policy makers or donors invest in healthcare in poorer countries is to contract private organisations to provide healthcare services for particular regions. This practice is increasing in fragile\* countries, including Afghanistan, Pakistan and the [Democratic Republic of Congo](#).

Another more targeted approach is to provide conditional cash incentives for individual households who participate in health programmes; recently a popular strategy in several Latin American countries. For instance, households receive money if they attend health education programmes, or bring their children to regular health checks to receive nutritional supplements and immunisations. The payments aim to encourage households to adopt behaviours that will improve their health and well-being.

Several trials from a total of ten studies on cash incentives provided strong evidence for positive health impacts. Evidence from three trials that looked at the effectiveness of contracting out health services, on the

other hand, was relatively weak. In both cases it was hard to be sure that any improvements seen were only as a direct result of the policies put in place.

"It is very difficult to evaluate the success of these kinds of public health policies independently from other contextual factors that may play a role," said lead researcher Mylene Lagarde, of the London School of Hygiene & Tropical Medicine in London, UK. "For instance, most experiences so far have been carried out in Latin American countries, where health systems were relatively well developed and basic infrastructures such as roads and banking systems were available. Such favourable conditions ensure that cash transfer programmes can be well implemented and target the poorest groups."

"With this in mind, it is very important that policy makers in poor settings identify the key barriers to healthcare before embarking on expensive healthcare programmes, whose success relies on good existing health infrastructures. For future studies, it will also be important to explore the cost-effectiveness of both contracting out and cash incentive strategies," added Lagarde.

Source: Wiley ([news](#) : [web](#))

Citation: Health in low-income countries: Outsourcing and cash incentives may help (2009, October 7) retrieved 1 May 2024 from <https://medicalxpress.com/news/2009-10-health-low-income-countries-outsourcing-cash.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.
---