**Opening of Private Wing service on Public Hospitals**

**Contribution for health service quality improvement on Addis Ababa City Administration Hospitals**

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**Abstract**

**BACKGROUND**

Ethiopia Ministers council approved Health Care Financing Strategy in1998. The strategy aimed at policy changes by increasing resources available for the health sector, improving efficiency of resource use, and promoting quality sustainability. Following public hospitals opened private wings service intended to improve retention of health professionals and to look for new sources of revenue in order to expand and strengthen the services they provide, and encourages upper income people to pay for healthcare services.

**OBJECTIVE**

The objective of the study is to assess the contribution of opening private wing service in public hospitals for increasing outpatient visit, additional financial resource for public hospitals, supplementary financial incentive for hospital staffs, and price stability role with Private owned health facilities.

**METHODOLOGY**

Four years data collected on patient flow data, private wing income and expenditure, net revenue divided to the health professionals, support staff, and hospital. Besides, key informant interview done from private owned health facilities near to the public hospital operating private wing. The simple qualitative data analyzed method done.

**FINDINGS**

Among six public hospitals, five hospitals opened outpatient private wing service. In 2014/15 among the total outpatient visit, 8% get care in the private wing service, totally 12,841,405 ETB (611,595 USD) revenue generated from private wing service. 8,682,274 ETB (413,441.62 USD) paid for senior health professionals i.e. 50 – 100% additional income from their monthly salary and hospitals shared 1,859,952ETB (88,569.14 USD) additional to government allocated budget for improving health service quality.

Private health facilities considers private wings as rivalry and specialists’ halt working in private facilities or spent their part time in public hospitals attracted patients to public hospitals resulting reduce in patient flow and revenue. Actually the opening of private wing in public hospitals initiate private facilities to improve their service quality, work on client satisfaction, user fee reduction, modernize the health service, and identify to fill the market gaps in public hospital.

**CONCLUSION**

Findings of the study indicates, private wing demanded by the health facility staff and contributes on the retention of senior health professional in the hospitals, and the hospitals are improving the health service quality with the additional revenue generated from private wing services. Hospital staffs are motivated to work in the public hospital with the additional incentive. Patients attracted to public hospitals and examined by most senior specialists by their choice with preferred time. Private health facilities and public hospitals compete with the market and the health service user fee can be stabilized. The overall impact of all these i.e. if private wing services expanded and if private health facilities improve their health service quality and modernize service in response to private wing competition, the public become at most beneficiary of the health service outcome.