



Public-Private Partnerships and the Healthcare Sector Performance in Kenya

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ABSTRACT

Healthcare is one of the fundamental development agenda to any nation and its adequate provision in an accessible, quality and sustainable manner is the supreme responsibility of the state. However, the burden of healthcare cannot be met by the government alone, but requires substantial investment from the private sector as well. This article reviews the existing empirical literature to examine the contribution of private investment on the healthcare sector performance in Kenya. Existing evidence shows that there is minimal private-public partnership in the health sector in Kenya. The main factors inhibiting private-public partnership investment in the sector were attributed to the uncertainty associated with universal healthcare. Further, the scheme is characterised by an overall lack of transparency and accountability surrounding contracts, costing and allocations with many of the safeguards against these kinds of challenges blatantly ignored by several actors and in turn raising issues of accessibility for citizens. Also, private sector credit and political regimes have a negative but significant influence on private investments generally.

Keywords: Universal Healthcare, Public-Private Partnerships, Performance

INTRODUCTION

Healthcare is one of the fundamental developmental agenda to any nation and its adequate provision in an accessible, quality and sustainable manner is the supreme responsibility of the state [1]. Towards this objective, several countries globally developed and developing have been on healthcare reform trajectories in the past few decades. Kenya's public healthcare system has been on an evolutionary journey for close to seven decades now characterized by reforms and investments in a bid to improve the health profile of its citizens [2]. The Kenyan healthcare system can be split into three subsystems, being the Public Sector, Commercial Private Sector, and Faith Based Organizations (FBOs). The Public Sector is the largest in terms of the number of healthcare facilities, followed by the Commercial Private Sector and the FBOs [3]. There is a large disparity among these health facilities, especially in rural areas.

The health sector in Kenya relies on several sources of funding: public (government), private firms, households and donors (including faith based organizations and NGOs) as well as health insurance schemes [4]. Unfortunately, limitations in implementing an overall healthcare financing strategy has hindered effective planning, budgeting and provision of health services.

The health system has also struggled with stagnant or declining budgets for health, system inefficiencies, persistently poor service quality and lack of equity [5]. Future planning needs to recognize that “reversing the trends” cannot be achieved by the government health sector alone. Active involvement and partnership with other stakeholders in the provision of care should be intensified.

According to a report by the Netherlands Enterprise Agency (RVO) [6], the Kenyan private healthcare industry was ripe for investment given the growing middle class together with the economy and the attendant demand for quality and affordable healthcare. However, provision of quality and affordable healthcare has been limited by lack of adequate healthcare coverage and infrastructure as well as a limited health insurance coverage [6]. This has been a limiting factor for investors eying the Kenyan healthcare market. However, with the introduction of the Universal Healthcare Coverage (UHC) under the current Government’s Big Four Agenda higher subscription rates to public health insurance is expected to increase.

Universal Health Coverage (UHC) is a critical component of sustainable development and poverty reduction, and a key element of any effort to reduce social inequities for shared prosperity of any nation. It is based on the principle that all individuals and communities should have access to quality, essential health services without suffering financial hardship. According to Greer and Méndez [7], Universal Health Care Coverage is described as making certain that everyone has access to the required health services which includes, palliation, rehabilitation, treatment, promotion and prevention, of effective sufficient quality while also making sure that the users of these services are not exposed to financial hardships. Tsimtsiou [8] explains that universal health coverage, universal coverage and universal health care are the various terminologies that have been used to describe to the same concept. Kruk et al., [9] stated that universal health coverage is frequently used to refer to reforms within the health care systems in middle and low income countries.

Under the UHC scheme of which the Kenya government largely delivers through the NHIF, both public and private sector healthcare service providers are eligible for enrollment with the scheme and as such get remittances from the fund [3]. However, the key question remains as to whether the introduction of the UHC is stimulating investments in the private healthcare sector in the country and what are the implications for this development.

The need for public - private partnerships arose against the backdrop of inadequacies on the part of the public sector to provide public good on their own, in an efficient and effective manner owing to lack of resources and management issues. In the US, Public Private Partnerships have been explored as a mechanism through which additional resources and support can be mobilized for health activities, particularly in under resourced developing countries [10]. Involvement of the private sector in China is linked to the wider belief that public sector bureaucracies are inefficient and unresponsive and that market mechanisms will promote efficiency and ensure cost effective, good quality services [11]. Eschenfelder [12] argues that the advantages of PPP include the incorporation of the private sector’s capital and expertise, the facilitation of conditions for a life cycle optimization of the project, a more customer-oriented service, and the development of new business opportunities. The most relevant disadvantages include higher financial and transaction costs, the negative public perception of tolls, and the complex contractual structure. The most typical example of PPP

schemes is the BOT (Build, Operate, and Transfer). Nevertheless, the basic BOT principle can be extended to include additional clauses that may include subsidies during operation, initial contributions, or loans from the public authority [13]. It has been documented that under partnerships, public and private sectors can play innovative roles in financing and providing health care service.

Statement of the Problem

Limited investment in the healthcare system in Kenya has led to lack of adequate healthcare coverage and infrastructure and a significant healthcare provision gap in terms of provision of quality and affordable healthcare to the citizens. This cannot be met by the government alone, but requires substantial investment from the private sector as well. Private investors as well as social investors and foundations are good candidates to make investment in individual initiatives, particularly in the early stages of healthcare projects. National governments and international donors can play a major role as enablers: improving the availability and transparency of information about the investment climate in the country and increasing access to financing for investors.

However, with the introduction of the universal healthcare coverage (UHC) under the current Government's Big Four Agenda higher subscription rates to public health insurance is expected to increase and, therefore, improved financing for healthcare systems and increased opportunities for both local and foreign investors in the private healthcare industry in Kenya. However, despite the presence of a robust private healthcare industry in Kenya, there is limited empirical literature on investment in private healthcare in the country. Further, with the introduction of UHC under the country's Big Four Agenda whose coverage spreads to private healthcare facilities in the country, it has not yet been established if this development has a significant impact on the investment decisions in private healthcare. Therefore, the present study seeks to examine the influence of public-private partnerships investment in the performance of the healthcare sector in Kenya.

THEORETICAL FRAMEWORK

Modern Portfolio Theory

This theory was pioneered by Harry Markowitz in 1952 in his paper "Portfolio Selection" [14]. The Modern portfolio theory (MPT) argues that an investment's risk and return characteristics should not be viewed alone, but should be evaluated by how the investment affects the overall portfolio's risk and return [15]. Modern portfolio theory shows that an investor can construct a portfolio of multiple assets that will maximize returns for a given level of risk. Likewise, given a desired level of expected return, an investor can construct a portfolio with the lowest possible risk. MPT makes the assumption that investors are risk-averse, meaning they prefer a less risky portfolio to a riskier one for a given level of return [16]. This implies that an investor will take on more risk only if he or she is expecting more reward. The healthcare industry especially in the developing world context is fraught with risks that limit investment in the industry. However, the introduction of UHC in the healthcare context in countries like Kenya could mitigate some of these risks. The MPT will, therefore, give the study insight into how private investors develop portfolios under the changing healthcare landscape in the country.

Theory of Risk Tolerance

The theory of Risk tolerance following from the research of Bernheim et al., [17] is a construct stipulating that the decision to invest depends on willingness to accept higher risk or volatility in exchange for higher potential returns. Accordingly, investors are classified into two as: risk tolerant investor and risk averse investors. Risk tolerant investor are aggressive investors, willing to accept losing their capital in search for higher returns while the risk averse are more conservative investors who are more concerned with capital preservation. A risk tolerant investor will pursue higher potential reward investments even when there is a greater potential for a loss. In addition, a risk tolerant person would seek out high-risk investments, even if they add little to his or her portfolio.

However, Hawkins argued that risk tolerance is not enough. The thrust of the argument is that risk tolerance is only a measure of how much risk an individual can handle but that is not necessarily the same as the appropriate amount of risk an individual should take. The appropriate amount of risk an individual could take, it is argued is dependent on the financial risk capacity of the individual. Moreover, since there are often investment options, individuals strive towards optimal risk of their portfolios by attempting to minimize the variance (risk) at the same time they try to maximize their returns. It was therefore concluded that the long-term investment strategy and strategic asset mix of an individual investor is a mix of the risk tolerance of the investor, the financial capacity for risk and the optimal risk.

Theory of Planned Behavior

The theory of planned behavior is a theory about the link between attitudes and behavior. It was proposed by Ajzen [18,19] as an extension of the theory of reasoned action. Essentially, the theory contends that both attitude and norms toward a behaviour are the immediate determinants of intention to perform such behaviour. Attitude towards behaviour is recognized as a person's positive or negative education and is composed of a person's salient beliefs regarding the perceived outcomes of performing the behavior. The theory of planned behavior has since been widely applied as a very powerful and predictive model for explaining human behavior. Within the framework of this theory, Darden and Dorsch [20] argued that the act of investing is a behavior that is also influence by people's beliefs regarding the perceived outcomes of performing it. Later studies conducted by Eastlick [21], Klein [22], Liang and Huang [23] and Weber and Camerer [24] show that prior experience with purchase of shares is a significant predictor of shares investors' decision-making.

Empirical Literature

Empirical literature was extracted based on the keywords and themes of the study. They were then organized in matrix table form where the title of the paper, name of the journal, objectives of the study, methodology, findings and conclusions were tabulated to assist in final review and discussions.

Table 1: Matrix Table on Empirical Literature

	Paper Title	Author(s) & Year	Objectives	Research Methodology	Findings and recommendations
1	Evaluating opportunities for successful public-private partnership in the healthcare sector in Poland.	Kosycarz, E. A., Nowakowska, B. A., & Mikołajczyk, M. M. (2019). <i>Journal of Public Health</i> , 27(1), 1-9.	The aim of this study is to analyse and assess barriers and opportunities for the improvement of the condition of public hospitals in Poland by means of public-private partnerships.	The study reviewed literature and acts concerning this subject, and undertakes exploratory analyses of data acquired from national health data repositories	The study found out that; - The main factor inhibiting investment is the uncertainty associated with the National Health Fund. -a contractual health financing system in Poland appeared to be a significant impediment, assuming annual or triennial contracts. In comparison with the long-term involvement of the private partner in the implementation of the project were there other finding on the opportunities for successful public-private partnership in Poland The study recommended that; consideration should be given to modify the contracting of medical services performed by the PPP service providers with secure market competitiveness

2	Investing in Health Healthcare Industry in India	Chakravarthi, I., Roy, B., Mukhopadhyay, I., & Barria, S. (2017). <i>Economic & Political Weekly</i> , 52(45), 51	How investment in health has since taken place in India with the withdrawal of the state from healthcare, transformation of healthcare into a commodity, and promotion of the private healthcare sector by the state.	Information collection was carried out through systematic literature review: healthcare companies/healthcare industry in India, private hospitals, corporate hospitals, diagnostic centers and private equity in healthcare.	The study found out that; There was an increasing number of organized for-profit private healthcare providers, and it is no longer the case that there are a few corporates providing tertiary-level/super-specialty care confined to the metros. The neglect of the public health infrastructure in India is a deliberate strategy to promote the large private health interests that have grown over the years, and in keeping with the larger neo-liberal thinking against healthcare as a social good and provision of welfare services by the state. In addition, public funds are being diverted to the private sector through state insurance programmes and PPPs, which reduces funds available for the public healthcare sector. Undoubtedly, the
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					healthcare system in India, specifically the private sector, has moved into a distinct new phase where the provision of medical care has become a highly sought-after sector by capitalist institutions, with a growing network of companies supplying medical care for profit.
3	Development Finance Institutions: The (in) coherence of their investments in private healthcare companies	Hunter, B. M., Marriott, A., & Oxfam, G. B. (2018).	To examine some of the key concerns related to development policy coherence of these investments, including an illustrative case study.	The study used a systematic literature review of case studies of private investment in healthcare	The study found out that; While DFIs claim to be motivated by poverty reduction, their investments in healthcare projects suggest significant policy incoherence. User fee models have been widely acknowledged as inequitable and poverty-causing. The lack of a clear framework in attempts to evaluate Health in Africa's developmental impact is symptomatic of a policy myopia in DFIs.
4	"Entrepreneurs' perspective on public-private	Sinisammal, J., Leviäkangas, P., Autio, T. and Hyrkäs, E. (2016)	The objective was to probe experiences of entrepreneurs in the social and	The study was qualitative using entrepreneurs' in private healthcare as the respondents.	Three main categories of factors affecting the success of partnership were

	partnership in health care and social services	<i>Journal of health organization and management.</i>	health care service provision.	Structured interviews were used and analyzed using inductive content analysis.	identified: the nature of partnership, business aspects and tension builders.
5	Risk and Value in Privately Financed Health Care Projects	Alberto De Marco and Giulio Mangano (2018) <i>Journal of Construction Engineering and Management</i> , 139(8), 918-926.	To investigate the risk factors affecting the value for money that can be obtained from using the public-private partnership delivery system to develop social facility projects.	The study was an empirical study. It used a linear regression analysis is conducted on a data set of privately financed health care projects in the United Kingdom	The study found out that; Economic and political environment, the hospital capacity, the construction duration, and the concession period are significant factors of the price paid by the granting authority. The study confirms that the unitary charge is not only affected by investment, operations, and financial life-cycle costs, but also by risk factors and the level of risk allocated to the private sponsors.
6	Private equity opportunities in healthcare tech	David Champagne, Alex Davidson, Jamie Littlejohns, and Dmitry Podpolny (2019) McKinsey & Company	To examine the Private equity opportunities in healthcare tech	Systematic literature review based on reports and empirical studies	The study found out that; Healthcare technology companies have historically gotten less attention from private equity (PE) investors than they might warrant. Admittedly, healthcare tech is complex, making it difficult to understand the

					industry and identify good assets. Investors are already hesitant to invest in young companies. And many prospective PE targets in healthcare tech offer solutions in unproven markets that are vulnerable to disruption, further dampening investor interest. Investors may be especially dissuaded if deal sourcing and due diligence require substantial cooperation between interdisciplinary teams in healthcare and technology. It is recommended that PE firms should invest in such companies now to capture disproportionate benefits. Here we highlight ways that these firms can identify winning healthcare-tech investments.
7	Health financing for universal health coverage in	Ifeagwu, S. C., Yang, J. C., Parkes-Ratanshi, R., &	The systematic review aimed to determine reported health financing	A systematic review was conducted aligned with the Preferred Reporting Items for Systematic	The study found out that; A majority of health care revenue in SSA is

	Sub-Saharan Africa: a systematic review	Brayne, C. (2021). <i>Global health research and policy</i> , 6(1), 1-9.	mechanisms in SSA within the published literature and summarize potential learnings.	Reviews and Meta-Analyses (PRISMA) reporting guidelines. Studies describing health financing approaches for UHC in SSA were included. Evidence was synthesized in form of a table and thematic analysis.	from direct out-of-pocket payments. Another common financing mechanism was donor funding, which was reported by most of the studies. More than two thirds of the selected studies reported the importance of equitable national health insurance schemes for UHC. Establishing evidence-based and multi-sectorial strategies tailored to country contexts remains imperative.
8	Business and investment opportunities in healthcare in Africa.	Omilola, B., & Sanogo, N.A. (2020). <i>Public Health Open J.</i> 5(1): 11-13.	To describe key terms of public health, population health, and population health management are defined and a role for data analytics to help health system administrators in thinking about population health management activities.	Systematic literature review of empirical literature, reports and conference proceedings	The study found out that; Many actors in the public health community are against the involvement of the private sector (particularly for profit entities) in healthcare. They always point to examples of poor quality, inefficiency, and a range of unethical business practices by the private sector. Despite all the concerns about

					the involvement of the private sector in the health sector in Africa, a regulated private sector could help serve the poor and have a positive impact on the quality of care. The health and well-being sector has major market opportunities in Africa estimated to be about US\$ 259 billion by 2030, with the potential to create over 16 million jobs in Africa. Recommendation ; To achieve universal health coverage for African countries, it is important to highlight the necessary contribution of the private sector.
9	Factors Affecting The Performance Of Public-Private Partnerships In Healthcare Projects In Kenya: A Case Study Of The Ministry Of Health, Nairobi	Minjire E., & Waiganjo, E. (2016) <i>Strategic Journal of Business and Change Management</i>, 2(36),71-746	To find out how project governance influences the performance of PPPH projects at the Ministry of Health, Nairobi To find out how regulatory environment influence the performance of	The study utilized a descriptive survey approach whereby a sample size of 46 respondents, comprising technical officers and heads of units with experience in PPPH projects was purposively selected. Primary data was collected using a	The study found out that; That PPPH projects have contributed significantly in the improvement of healthcare sector in the country. Although the concept of PPP is still nascent and unclear to even

			PPPH projects at the Ministry of Health, Nairobi	standardized opinion.	the staff working in the related projects, the study found out that the ministry has a wealth of highly learned and fairly young personnel who are capable of transforming the sector through such partnerships.
10	Medical Equipment Leasing in Kenya: Neocolonial Global Finance and Misplaced Health Priorities Cry	Crysal Simeoni & Wangari Kinoti (2020) DAWN Discussion Paper #25	To examine the Medical Equipment Leasing in Kenya from the historical to current perspective	The study used an extensive literature review, it begins by looking at the range of right to health-related commitments made by the Kenyan government against its history of health financing policy.	The study found out that; The public-private partnerships (PPPs) scheme is characterised by an overall lack of transparency and accountability surrounding contracts, costing and allocations with many of the safeguards against these kinds of challenges blatantly ignored by several actors and in turn raising issues of accessibility for citizens. There is also a central question around priority setting, with questions around what informs the decision to spend budgets on one healthcare need versus another, what the process of making it looks like, and who are

					involved and consulted.
1 1	Factors Influencing Performance Of Public-Private Partnerships In Healthcare Provision In Kenya; The Case Of Nyamira County	Robert Okari Maosa & Willy Mwangi Muturi (2019) <i>International Journal of Social Sciences and Information Technology</i> , 5(5), 202-213.	i. Establish the influence of governance structures on performance of Public Private Partnerships in healthcare provision in Nyamira County; ii. Assess the influence of regulatory framework on performance of Public-Private Partnerships in and performance of Public Private Partnerships in healthcare provision in Nyamira County	The study used descriptive research design. The population of the study comprised 64 senior top managers of the partnering organizations in the area where the 32 health facilities are located. Primary Data was collected through Questionnaires and interviews. Multiple regression analysis was used in the analysis.	The study found out that; Public-Private Partnerships in healthcare provision in Nyamira County have succeeded in improving the healthcare provision; however, the implementation of the PPPs in the provision of healthcare was found to be ineffective. Governance structures affect the success of PPPs as they create both political and technological goodwill for the survival of the Public-Private Partnerships. The study recommended that The formation of governance structures of the partnerships must be done according to the framework provided with strict conformity with the rules and regulations as set out by the regulatory authority so that proper checks

					and balances can be instituted to take cognizance of the interests of the parties involved in the formation of PPPs
1 2	Determinants of Domestic Private Investments in Kenya	Ernest Zechariah Mbaye (2016) Doctoral dissertation, University of Nairobi	i. To analyze the factors that influence domestic private investments in Kenya. ii. To estimate the impact of these factors on domestic private investments.	The study used panel data approach and adopted the neoclassical flexible accelerator model formulated by Jorgensen (1967).	The study found out that; The study revealed that real GDP growth rate, real exchange rate and broad money supply have a positive and significant effect on private investment. Private sector credit and political regimes have a negative but significant influence on private investments. Public investment, real deposit rates, public debt, inflation, foreign exchange reserves and financial liberalization have a negative but insignificant impact on private investments. The study recommends policies such as increasing allocation of public funds for capital accumulation. Since real lending

					rates have a negative influence, it is important to reduce cost of credit through monetary policies
1 3	Influence Of Public Private Partnership On Service Delivery In The Health Sector Within Uasin Gishu County, Kenya	Nelphat Mukonyole Mbatia (2016) Doctoral dissertation, University of Nairobi	To determine the influence of Public Private Partnership financial support on service delivery in the health sector within Uasin Gishu County	The study used descriptive survey research design targeting 1155 technical staff who included county ministry of health officials. The study used primary data obtained using structured questionnaires.	The study found that; Public private partnership financial support, public private partnership procurement support and public private partnership managerial support had a positive and significant effect on service delivery in the health sector within Uasin Gishu County. It recommended that enhancing more support in terms of management support, procurement support and financial support will further improve service delivery
1 4	Different pathways of social protection reforms: An analysis of long-term institutional change in Kenya	Bender, K., Rohregger, B., Kinuthia, B., Ikua, G., Schüring, E., Adamba, C., ... & Pouw, N. (2021).	The paper aimed at providing a systematic framework for defining and explaining variations in reform dynamics highlighting the role of uncertainty.	The study used an empirical methodology employing a process tracing approach including primary and secondary data covering the time period between 2001 and 2017.	The study found out that; Whereas cash transfer reforms follow a pattern of cumulative incremental change, social health protection reforms reflect patterns of non-

		<i>World Development</i> , 137, 105210.			cumulative change including blocked reforms and reform reversals. The results suggest that those differences are partly explained by differences in preferences among agents or the institutional legacies within each domain. In addition, behavioral responses to uncertainty matter: Stronger information asymmetries within the cash transfer and fee waiver reform domains opened space for discretionary decision-making. Interpretations of the concept of social protection and complexity of 'insurance' facilitated processes related to cash transfers whereas providing impediments to social health insurance.
1 5	Assessing the progress and gaps in strategic health purchasing in Kenya	Kazungu, J., Kabia, E., Munge, K., & Barasa, E. (2021). <i>Wellcome Open</i>	To describe the progress made on SHP and the gaps hindering progress in SHP in Kenya to also act as a baseline for future monitoring	The study used a cross-sectional qualitative study design and collected data using document reviews, key informant interviews, and a stakeholder	The study found out that; Kenya is making progress towards developing, implementing and institutionalizing strategic health

		<i>Research</i> , 6(81), 81.		engagement workshop focusing on the three main purchasers in Kenya. Data was analyzed following a framework analysis approach.	purchasing (SHP) practices that should lead to the attainment of health system goals. Progress has been made in 1) engaging in selective contracting and integrated care contracting, 3) implementing multiple provider payment mechanisms, 4) designing legal and regulatory frameworks that provide direction for purchasing, and 5) increasingly utilizing information systems. However, several gaps remain. First, there remain inadequate linkages between MOH policies and the NHIF that can facilitate adequate stewardship/oversight. Second, the purchasers lack adequate capacity to ensure quality assurance and enforce contracts. Third, provider payment methods (PPM) remain poorly designed, implemented,
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					and are not adequately linked to health system goals. Finally, purchasers have weak or unclearly defined communications strategies to patients and providers.
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Critique of Literature

A review of the literature have brought to the forefront several issues regarding the issue of investment in healthcare management. Issues such as the limitations of government provision of healthcare and the need for private sector investment to either support through a PPP framework or fill the gaps in healthcare provision. The literature also revealed that the nature of partnership, business aspects and tension builders were important considerations in PPP investment. Other issues in this line were economic and political environment, the hospital capacity, the construction duration, and the concession period are significant factors of the price paid by the granting authority. The public-private partnerships (PPPs) scheme is characterised by an overall lack of transparency and accountability surrounding contracts, costing and allocations. However, PPPH projects have contributed significantly in the improvement of healthcare sector in the country, nevertheless, many actors in the public health community are against the involvement of the private sector (particularly for profit entities) in healthcare. It has also highlighted the uncertainties surrounding UHC and their effect on investment.

Further, the studies were either pure qualitative or quantitative and, as such, could not report in-depth findings of the contribution of private sector investment in healthcare. Specifically, they did not show the returns on investment or profitability side of the private sector involvement in healthcare investment. They also did not show the risks, instrumentation and sustainability of private investments in healthcare projects. A combination of primary data and secondary data which was lacking in most studies reviewed could have provided further insight on these aspects through the investors' perspectives as well as the policy makers and also researchers' perspectives.

Research Gap

The studies reviewed have critically examined the question of private investment in healthcare from different contexts and perspectives. However, most of the literature focused more on the PPP than on the private investment component of healthcare investment [25 - 27]. Majority of the studies were also either systematic literature reviews or empirical studies that focused largely on technical staff in the healthcare departments rather than the private sector investors. In most cases, the studies were synthesis of reports and other studies rather than the primary data from the actual respondents (with the exception of Maosa and Muturi [25]. Therefore, the voices of the investors and other actors in healthcare were not heard firsthand. However, the study by Mbaye [28] provided more insight into some of these variables revealing, for instance,

that real GDP growth rate, real exchange rate and broad money supply have a positive and significant effect on private investment. Private sector credit and political regimes have a negative but significant influence on private investments. The studies are mostly silent on the influence on UHC on private sector involvement in healthcare investment. However, notably, Kosycarz et al., [29] gives some insight with their findings that the main factor inhibiting investment is the uncertainty associated with the National Health Fund which is a form of UHC. The studies also failed to appreciate investor behavior the broad opportunities for investment, the risks and the nature of instrumentation. This is important in knowing what private investors think of healthcare ventures and how the policy framework can be reconfigured to accommodate the needs of the private investors.

METHODOLOGY

The study follows a systematic literature review approach where apart from the conceptual and theoretical literature, the study relied on empirical studies for data and for conclusions of the study. The systematic literature reviews thus followed the approach outlined schematically in the diagram in Table 2 below.

Table 2: Tabulation of Search Terms

Key Terms see adjustment on topic	Related words/phrases
Healthcare investment	Healthcare facilities, Healthcare infrastructure
Private sector	Private healthcare, public-private partnerships in healthcare
Universal health coverage	Universal health care, NHIF, Social health insurance
Returns on healthcare investment	Returns on healthcare investment
Developing countries	Sub-Sahara Africa, East Africa, Kenya

These terms were searched online using search engines as shown in Table 3.

Table 3: Search Results

Category	Frequency
Databases	6 (peer reviewed online publishing sites)
Total hits	93
Excluded after abstract	57
Included after title & abstract	36
Excluded after full text	27
Included after full text	9
Quality assessment	High

FINDINGS

In the UK, De Marco and Mangano [30] examined the risk and value in privately financed health care projects. It used a linear regression analysis is conducted on a data set of privately financed health care projects in the United Kingdom to explore the main factors that might have significant relationships with the annual unitary charge payment. The study revealed that the economic and political environment, the hospital capacity, the construction duration, and the concession period are significant factors of the price paid by the granting authority. The study confirms that the unitary charge is not only affected by investment, operations, and financial life-cycle costs, but also by risk factors and the level of risk allocated to the private sponsors.

In Poland, Kosycarz, Nowakowska and Mikołajczyk [29] evaluated opportunities for successful public-private partnership in the healthcare sector in Poland. The study reviewed literature and acts concerning this subject, and undertakes exploratory analyses of data acquired from national health data repositories. The study found that the main factor inhibiting investment is the uncertainty associated with the National Health Fund. Against this background, a contractual health financing system in Poland appeared to be a significant impediment, assuming annual or triennial contracts. In comparison with the long-term involvement of the private partner in the implementation of the project, consideration should be given to modify the contracting of medical services performed by the PPP service providers with secure market competitiveness.

Minjire and Waiganjo [26] examine factors affecting the performance of Public-Private Partnerships in healthcare (PPPH) projects in Kenya using the Ministry of Health, Nairobi as a case study. The study utilized a descriptive survey approach whereby a sample size of 46 respondents, comprising technical officers and heads of units with experience in PPPH projects was purposively selected. Primary data was collected using a standardized Questionnaire. The study established that PPPH projects have contributed significantly in the improvement of healthcare sector in the country. Although the concept of PPP is still nascent and unclear to even the staff working in the related projects, the study found out that the ministry has a wealth of highly learned and fairly young personnel who are capable of transforming the sector through such partnerships.

Simeoni and Kinoti [31] carried out a study on Medical Equipment Leasing in Kenya using a perspective of neocolonial global finance and misplaced health priorities. The study used an extensive literature review, and began by looking at the range of right to health-related commitments made by the Kenyan government against its history of health financing policy. The study found that public-private partnerships (PPPs) scheme is characterised by an overall lack of transparency and accountability surrounding contracts, costing and allocations with many of the safeguards against these kinds of challenges blatantly ignored by several actors and in turn raising issues of accessibility for citizens. There is also a central question around priority setting, with questions around what informs the decision to spend budgets on one healthcare need versus another, what the process of making it looks like, and who are involved and consulted.

Mbaye [28] investigated the determinants of domestic private investments in Kenya. The study used panel data approach and adopted the neoclassical flexible accelerator model formulated by Jorgensen. The study revealed that real GDP growth rate, real exchange rate and broad money supply have a positive and significant effect on private investment. Private sector credit and political regimes have a negative but significant influence on private investments. Public investment, real deposit rates, public debt, inflation, foreign exchange reserves and financial liberalization have a negative but insignificant impact on private investments.

Maosa and Muturi [25] analyzed factors influencing performance of public-private partnerships in healthcare provision in Kenya focusing on Nyamira County. The descriptive research design was employed in the study. The population of the study was drawn from the 64 senior top managers of the partnering organizations in the area where the 32 health facilities are located. Questionnaires with five-point Likert scale supplemented with interviews were

conducted to collect primary data. Multiple regression analysis was used to establish the relationship between the variables and test hypothesis. Public-Private Partnerships in healthcare provision in Nyamira County have succeeded in improving the healthcare provision; however, the implementation of the PPPs in the provision of healthcare was found to be ineffective. Governance structures affect the success of PPPs as they create both political and technological goodwill for the survival of the Public-Private Partnerships.

Mbati [27] examined the influence of public private partnership on service delivery in the health sector within Uasin Gishu County, Kenya. The study used descriptive survey research design targeting 1155 technical staff who included county ministry of health officials. Primary data was obtained using structured questionnaires. The study found that public private partnership financial support, public private partnership procurement support and public private partnership managerial support had a positive and significant effect on service delivery in the health sector within Uasin Gishu County.

Private healthcare investments is contingent on the healthcare configuration of the context which in turn depends on the reforms being undertaken. Following this, Bender et al., [32] found that whereas cash transfer reforms follow a pattern of cumulative incremental change, social health protection reforms reflect patterns of non-cumulative change including blocked reforms and reform reversals. Omilola and Sanogo [33] attributed this to the observation that many actors in the public health community are against the involvement of the private sector (particularly for profit entities) in healthcare. They always point to examples of poor quality, inefficiency, and a range of unethical business practices by the private sector. Chakravarthi et al., [34], however, found that the healthcare system in India, specifically the private sector, has moved into a distinct new phase where the provision of medical care has become a highly sought-after sector by capitalist institutions, with a growing network of companies supplying medical care for profit.

Policy issues surrounding investments have also been variously cited as impediments. For example, Hunter et al., [35] found that while Development Finance Institutions (DFIs) claim to be motivated by poverty reduction, their investments in healthcare projects suggest significant policy incoherence. At the firm level, Champagne et al., [36] established that investors are already hesitant to invest in young companies, and many prospective PE targets in healthcare tech offer solutions in unproven markets that are vulnerable to disruption, further dampening investor interest. Ifeagwu et al., [37] noted that a majority of health care revenue in SSA is from direct out-of-pocket payments making a case for UHC. Kazungu et al., [38], however, observed that Kenya is making progress towards developing, implementing and institutionalizing strategic health purchasing (SHP) practices that should lead to the attainment of health system goals under the UHC.

CONCLUSIONS AND RECOMMENDATIONS

The foregoing survey of literature has revealed very important facets of private investment in the healthcare sector; its necessity as a PPP and also the policy limitations on investment in private healthcare. Specifically, the literature shows that the economic and political environment, the hospital capacity, the construction duration, and the concession period are significant factors of the price paid by the granting authority [30]. The main factor inhibiting investment is the uncertainty associated with the National Health Fund [29]. Further, PPPH

projects have contributed significantly in the improvement of healthcare sector in Kenya [26]. However, public-private partnerships (PPPs) scheme is characterised by an overall lack of transparency and accountability surrounding contracts, costing and allocations with many of the safeguards against these kinds of challenges blatantly ignored by several actors and in turn raising issues of accessibility for citizens [31]. Also, private sector credit and political regimes have a negative but significant influence on private investments. In conclusion, private sector investment in healthcare is important and as a component of PPP. Therefore, it is recommended that a lot still needs to be done in terms of studies to establish the relationship between UHC policy regime on private sector investment in healthcare in the country. To achieve universal health coverage for African countries, it is important to highlight the necessary contribution of the private sector. Consideration should be given to modify the contracting of medical services performed by the PPP service providers with secure market competitiveness. The formation of governance structures of the partnerships must be done according to the framework provided with strict conformity with the rules and regulations as set out by the regulatory authority so that proper checks and balances can be instituted to take cognizance of the interests of the parties involved in the formation of PPPs. Policies such as increasing allocation of public funds for capital accumulation are recommended since real lending rates have a negative influence, it is important to reduce cost of credit through monetary.

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