

# REDUCING INEQUITY IN THE PROVISION OF PRIMARY HEALTH CARE SERVICES: CONTRACTING IN CAMBODIA<sup>1</sup>

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Prepared for

Conference on  
Reaching the Poor with Effective Health, Nutrition and Population Services  
*What Works, What Doesn't, and Why*

February 18-20, 2004  
Washington, D.C.

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## Abstract

The use of private sector contracts for the delivery of primary health care as an alternative to traditional government provision is becoming more common in developing countries as a means to improve the efficiency of publicly funded services. Little attention has been paid, however, to whether competitive contracting can also serve to improve the equity of the distribution of primary health care services which oftentimes favors the non-poor. This study examines this issue using unique pre- and post intervention data from a large scale contracting experiment to provide primary health care in rural districts of Cambodia between 1998 and 2001. Equity as well as coverage targets for primary health care services were explicitly included in contracts awarded in five of nine rural districts with a population totaling over 1.25 million people. The remaining four districts included in the test were given identical equity and coverage targets and used the traditional government provision of services. After two-and-a-half years of the trial, the results suggest that although coverage of primary health care services in all districts had substantial increases, the poorest one-half of households living in contracted districts were more likely to receive these services than similarly circumstanced poor people in government districts, all else equal.

**Keywords:** primary health care, contracting, equity, Cambodia

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<sup>1</sup> We are indebted to The World Bank's Thematic Group on Health, Nutrition and Population (HNP) and Poverty for funding this research as part of the Reaching the Poor Project, and to the Ministry of Health of the Royal Government of Cambodia for granting permission to conduct the study. We also thank David Gwatkin, Adam Wagstaff and Abdo Yazbek of The World Bank and an anonymous reviewer for helpful comments and suggestions. As always, all remaining errors are our own.

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