

# **An investigation of the factors influencing the choice of Health Care Financing by Informal Sector Entrepreneurs in Nakuru Town**

**Author: Maubi, Collina Ongeru**

## **Abstract:**

One of the biggest challenges to social health insurance in developing countries like Kenya is the integration of the expanding informal sector and inclusion of the poor. The importance of extending social protection in health to the whole population has gathered momentum internationally. The general objective of the study was to investigate the factors that influence Health care financing by informal sector employee. The main purpose of the study was to investigate the factors that affect the choice of health care financing by the informal sector employees. The main objectives of the study was to evaluate the attitudes and beliefs of informal sector contributors towards financing their own health care in Kenya, to know if informal sector employees are responsible for financing their own health care and to know those demographic issues that have high influence on informal sector contributors towards financing their own health care in Kenya. The study was centered on the factors influencing the Choice of Health Care Financing by Informal Sector Employees with Nakuru Town. The research took place as from July 2012 to November 2012. A population of 380 informal sector employees and owners of business enterprises were targeted by the study. This research was carried out by use of surveys. The research applied stratified and snow balling sampling techniques to arrive at a sample size of 380 informal sector employees and owners of business enterprises (operators). The sample was selected using both snow balling sampling method and at random. The study used primary data collection method via a questionnaire to collect data on factors influencing health care financing decisions by the informal sector operators. The researcher approached the respondents and requests them to participate in the survey. The data that was collected was recorded in tables to analyze the data; average scores for the responses per item was calculated .After completion of the research, research the findings was published and copies distributed among the university libraries, health insurance providers, government office (Ministry of Health) and the national library, employers and employees in the informal sector thus elevating the people's living. In summary, the choice of health care financing is influenced by various factors but to different levels. Some of the factors that were thought to influence health care financing include: behavioural factors, economic factors, social factors, spatial and environmental and customer-oriented design features. It can also be concluded that there are other reasons why most informal workers in Kenya fail to contribute to their Health care financing including the price, perceived value of health care, risk aversion, individuals' income, education and employment. Unemployment and income are also a key determinant on the decision of health care financing method. Demand for health insurance increases as personal income increases. Adequate health care financing correlates with high quality health care services provided to a person and this determines performance of health system. The weaknesses in health care financing have greatly affected access by the poor to effective health interventions it is thus necessary for the government to ensure that there is adequate health care financing to all Kenyans. Since the Ministry of Public Health and

Ministry of Medical Services are the main coordinators of provision of health services in Kenyans through network of dispensaries, health centres, church missions, industrial health units, district, and provincial and national referral hospitals they should be at the forefront in enlightening entrepreneurs on the benefits of having a choice on health financing and how they can join health care financing programs.