Photo Credit

Town square

PPP in Health

Download Chatbot

This page introduces the topic of PPPs in Health with a range of examples of how PPPs are designed in developing and developed countries, whether in small specialist facilities or general hospitals. It does not purport to be comprehensive and welcomes comments and suggestions for materials.

A range of approaches to healthcare PPPs has emerged. The UK range was the leading proponent of hospital facility PPPs under its PFI Initiative, focusing on development/ rehabilitation of facilities and facilities management. A number of countries have followed a similar approach to hospital PPPs, focusing on facilities, including **Australia** (below) where a number of states continue to follow this approach.

India, by contrast, has adopted more comprehensive service delivery PPPs, where not only are the facilities developed and improved by the concessionaire but services are provided. The approach is more one of a private hospital built on public land with a requirement to make a certain number of beds/ treatments available to publicly funded patients. The rest of the facilities can be used for private patients. In some cases the concessionaire will pay the government a fee for the right to operate the concession, in others it will require a subsidy. Typically the bids are evaluated based on the lowest cost to government.

Local authorities, often cash strapped, are looking to PPPs to allow them to provide the health facilities that they find unaffordable. As with many sub-national PPPs, they utilize land available to them to develop a partnership with the private sector that they expect to benefit their citizens.

Technology improvements have had significant impact on health care and how this is delivered, with increased use of out patient day operations not involving an in-patient stay. In OECD countries this is already leading to less dependency on large general hospitals and more focus on specialist out patient facilities or clinics. As PPP are for long term careful consideration needs to be given on how and when these technology changes are likely to impact how healthcare is delivered in developing countries and whether there should / will be a similar shift in focus.

General Reading

- Digital-in-Health: Unlocking the Value for Everyone
- Strategic Investment for Health System Resilience: A Three-Layer Framework
- Build and Beyond: The revolution of Healthcare PPPs (PwC)
- Global Health Group at UCSF website
- Guidebook on PPP in Hospital Management (ADB) - Philippines
- Guidebook on PPP in Pharmacy (ADB) - Philippines
- UNECE - PPP in Health Sector ´
- Public-Private Integrated Partnerships Demonstrate the Potential to Improve Health Care Access, Quality and Efficiency
- IFC Advisory Services in PPPs: SmartLessons
- Handshake Issue #3: Health & PPPs

Sample Contracts

This section looks at sample projects in a number of jurisdictions.

Australia

- New South Wales, North Shore Community Hospital PPP Project - This report has been prepared by NSW Health Infrastructure in accordance with the Working with Government Guidelines for Privately Financed Projects, December 2006 and the Premier's Memorandum No. 2007-01 Public Disclosure of Information Arising from NSW Government Tenders and Contracts. Read Contract Summary and Project Deed.
- Victoria - Bendigo Hospital PPP Project - This Project Summary was prepared by Partnerships Victoria and it provides information about the contractual nature of the Bendigo Hospital Project (Project). Read Project Summery and Project Documents.
- New Royal Children's Hospital - This Project Summery was prepared by the Department of Human Services in conjunction with the Department of Treasury and Finance. Read Project Summery.

India

There have been a number of projects that have reached financial close, some of which will be displayed here.

The Department of Economic Affairs has also developed a suite of model documents and guidance papers (green books) for a variety of PPPs in the health sector:

- Guide for Practitioners for PPP in Primary Health Facilities
- Model Concession Agreement for Primary Health Facilities (Green Book)
- Guide for Practitioners for PPP in Brownfield Hospital Facilities
- Model Concession Agreement for Brownfield Hospitals (Green Book)
- Guide for Practitioners for PPP in Greenfield Hospital Facilities
- Model Concession Agreement for Greenfield Health Facilities (Green Book)
- Guide for Practitioners for PPP in Diagnostic Centres
- Model Concession Agreement for Diagnostic Centres
- Guide for Practitioners in PPP in Medical Colleges
- Model concession Agreement for Medical Colleges

Philippines

- Draft Guidance for early stages of development of PPP in Health Sector

Vietnam

- Public-Private Partnerships for Health in Vietnam: Issues and Options

---

The Public-Private Partnership Resource Center has traditionally focused on infrastructure sectors. It has received a number of requests from users for materials on Health PPPs and, in response, recognizing that there is a gap in information on contractual approaches to Health PPPs, it has developed this section. This section highlights resources for cases where a decision has been made to go for a PPP approach after carefully weighing the potential advantages and disadvantages of PPPs versus other alternatives and that any PPP in health should be aligned to the broader health policy/strategy for the given country.

Related Content

- **Sub-national and Municipal PPPs**
- **Energy Saving and Urban Renewable Projects**
- **Grain Storage PPPs**
- **Municipal Solid Waste (MSW) PPPs**
- **Water & Sanitation PPPs**
- **Sub-national and Municipal Policies Laws and Regulations**
- **Guidance Manuals for Local Governments**
- **Municipal Public-Private Partnership Framework**
- **Further Readings on Sub-national PPPs**

Additional Resources

- Three ways to partner with cities and municipalities to mobilize private capital for infrastructure: A look at Latin America
- Asian Countries Tap Potential of Subnational PPPs
- What do mothers-in-law and national PPP structures have in common?

Disclaimer: *The resources on this site is usually managed by third party websites. The World Bank does not take responsibility for the accuracy, completeness, or quality of the information provided, or for any broken links or moved resources. Any changes in the underlying website or link may result in changes to the analysis and recommendations set forth on the* Public-Private Partnership Resource Center. *The inclusion of documents on this website should not be construed as either a commitment to provide financing or an endorsement by the World Bank of the quality of the document or project. If you have any comments on any of the links provided on the* Public-Private Partnership Resource Center, *please get in touch here*