Reviewer's report

Title: Innovative Health Service Delivery Models in Low and Middle Income Countries - What can we learn from the private sector?

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Reviewer: Birger Forsberg

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Major compulsory revisions

1. The issue of quality should be further discussed in the paper. In the discussion about the private health care sector, issues of quality are a primary concern. How do governments ensure that services provided by private health care providers are of high quality? The paper has looked at ten initiatives, and for many of them, there is limited information about quality (and this is clearly stated by the authors early on in the paper). However, in the discussion, there is little mentioned about quality (just a brief note in the conclusions section). Given the importance of the topic, we think that a bit more elaborated discussion on the issue of quality (or lack of information thereof) would be useful in the discussion section.

2. Related to the above, there seemed to be very varying amount of data and of different quality for the 10 innovations. This is stated in the introduction – which is good. However, it is difficult to know for which innovations there is good information, and for which there are not. A more open account, perhaps with another column in table 1, of the quality and strength of the data would be seen as very useful.

3. The paper should discuss what may have affected the sample selection. How representative of “innovative” work in the health sector are the organisations presented? Is their common characteristic that they have been particularly successful in their operations or is it that they have been particularly successful in marketing their “story”? In any case, what is likely to be “out there” that has not been described yet in terms of innovations? Also, are the examples in the article “islands in a sea” of poor performing private providers without any consideration given to the poor or are they likely to be “trend” setters for a new way of delivering pro-poor health services? There are very interesting issues to discuss and the paper should avail the opportunity to discuss them more, while maintaining its rigorous style and scientific ambition.

Minor compulsory revisions

1. The sentence on page 3 starting: “However, since the public sector…” We do not follow the logic of why the lack of effective regulation of the private sector makes it a more attractive alternative for the poor. As we assume this is what the phrase “...often a more attractive alternative” refers to. The sentence would benefit from better clarity.
2. “….a growing number of social enterprises which aim for financial sustainability while having a positive social impact on the poor[8].” What is meant by “financial sustainability”?

3. It is not clear how the “value chain” is applied in the analysis and it is difficult to follow how the model was used to arrive at the categories later used in the discussion section.

4. On page 6 it says “…three broad categories of business-process innovations: marketing, financing, and operating strategies.” How can these be “innovations”? They appear more to be functions. The categories are categories within which innovations can be classified, i.e. they are innovations in either marketing, financing or op. strategies. Hence, the sentence needs to be slightly reworded to make this clear.

5. It would be useful to know which of these 10 innovations that are funded (partly or fully) by external resources, e.g. aid donors. Although the authors say that all innovations strive at financial sustainability, innovations sponsored by external resources (not subject to interest and market risks) might be able/willing to accept a higher risk. It would also be useful to know that in order to understand what will be required to replicate successful innovations in other contexts.

6. The example of cross-subsidization on page 10 (Dentista clinic in Brazil) stands out as it could just as well be seen as a charity. It is not clear how the higher paying clients are subsidizing the free patients. It could just as well be pro-bono work and not a structured cross-subsidization, which is something more organized. Also, it says that the model is being replicated in other countries, but exactly what the “model” should be better explained in the text.

7. Further related to cross-subsidizations, the challenges/problems related to this should be further mentioned in the discussion section. There are problems with subsidizations. For example somebody must decide who pays the higher and who pays the lower fee and the article does not yet mention how this decision is taken in the case of the Aravind Eye Care System (first para page 11). Some further discussion around this would add to the value of the paper.

Discretionary revisions

1. We assume that the private sector actors to be studied described in the last two paragraphs of the introduction refers to social enterprises only and not all private sector organizations. I.e. that the selection has been done from those organizations that can be labeled as “social enterprises”. However, this is not completely clear in the goal of the text as it is written now.

2. On page 7 the tenses “penetrates” and “coincided” are used in the same sentence. It is suggested that one tense is chosen. When did distribution of condoms coincide with a reduction in population growth rate? Now – or in the past?

3. The authors could consider to clearly illustrate impacts of innovations that are beneficial to 1) the customer, 2) the provider and 3) both. Of course there is overlap between the benefits but as the results are presented now they are not
4. First sentence of the discussion section says “high performing private sector…” but it is not clear from the text exactly what makes them high performers.

5. is sometimes a bit difficult to follow. The private sector operates on market incentives and therefore I assume that improvements for the customer (such as in the example of the prosthetic developer on page 8) must also have an added value for the company. But in this particular example, the added value for the company was not made clear.

**Level of interest:** An article of importance in its field

**Quality of written English:** Acceptable

**Statistical review:** No, the manuscript does not need to be seen by a statistician.

**Declaration of competing interests:**

I declare that I have not competing interests