## **Abstract:**

An increasing number of countries are exploring the introduction or expansion of autonomous hospitals as one of the numerous health reforms they are introducing to their health system. Hospital autonomy is one of the forms of decentralization that is focused on a specific institution rather than on a political unit. It has gained much interest because it is an attempt to amalgamate the best elements of the public and private sectors in how a hospital is governed, managed and financed. This paper reviews the key elements of the concept of hospital autonomy, the reasons for its expanded use in many countries and a specific example of making a major teaching hospital autonomous in Kenya. A review of the successful experience of Kenyatta National Hospital and its process of introducing autonomy, with regard to governance, operations and management, and finances, lead to several conclusions on replicability. The legal framework is a critical element for successfully structuring the autonomous hospital. Additionally, success is highly dependent on the extent to which there is adequate funding during the process of attaining autonomy due to the length of the transition period needed. Autonomy must be granted within the context of the national health system and national health objectives and be consistent with those aims and their underlying societal values. Finally, as with decentralization, success is dependent upon the preparation done with the systems and management necessary for the proper governance and operation of autonomous hospitals.