

ABSTRACT

Although studies on health care demand have previously been conducted in Kenya and elsewhere in Africa, it has hitherto not been shown how health seeking behavior conditional on illness is affected by information on health care quality and by quality variation conditional on that information. This study develops and tests the hypothesis that the information available on service quality at a health facility significantly affects demand for health care, and therefore, parameter estimates that ignore information available to patients about service quality might be biased. The authors highlight the need for public provision of such information. They also draw attention to a potential limitation of demand analysis in the design and implementation of health care financing policies