# Social capital and willingness to pay for community based health insurance: Empirical evidence from rural Tanzania

**Charles Tundui & Raphael Macha**

## Abstract

This study examines the effect of social capital on willingness to pay (WTP) for health services provided through community based health insurance schemes (Community Health Fund) in Tanzania. The study covered 274 household heads. We use prohibit regression analysis to model the relationship between the predictors and our outcome variable. Our results have shown that with the exception of religion, all other social capital variables have a positive and significant impact on the WTP for the Community Health Fund (CHF). Specifically, membership in social organisations and networks, trust among community members and trust of community members on scheme management are positively and significantly related to WTP. On the other hand, the age, education level, household size and number of children and participation in health insurance are not predicting WTP for CHF. Taken together, these results suggest that enhancing access to health care services in the rural areas and the sustainability of CHF would require building appropriate forms of social capital at individual and community levels. Specifically, CHF may increase enrolment through the existing social organisations and associations. Similarly, CHFs may well increase their membership if the avenues for trust building are created and nurtured

**Keywords**: social capital, willingness to pay, community based health insurance

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