

Private Health Insurance is viewed across the world as an important health financing mechanism that serves to protect households from the direct financial consequences that comes with out-of-pocket expenditure for health care. This research investigates patients' willingness to join and pay for private health insurance scheme in Ruharo Mission Hospital Mbarara Uganda (RMH).

A cross sectional non-interventionist exploratory study was conducted, involving both qualitative and quantitative data collection methods. Proportionate probability sampling was done to select 139 outpatients to participate in the study and Pearson's Chi square (χ^2) test of association was performed to find the association between sets of categorical variables.

It was found out that there is low level of knowledge and understanding of PHI with women (70.4%), Catholics (55%) and those not in formal employments (45%) less knowledgeable. More than eighty one percent of the respondents were not insured and they mentioned lack of knowledge and high premium as barriers to enrollment for PHI. Eighty four percent (84%) of the respondents were willing to join PHI and 62.8% were willing to pay if the premium was less than UGX 100,000 (\$38.5) per person annually.

Conclusion from this study suggests that there's little knowledge of PHI s and low coverage. Most patients were willing to join private health insurance. PHI companies and HMOs need to intensify public awareness campaigns especially in the informal sector. Varied and flexible forms of payment and improved quality services should be encouraged in order to attract and retain new subscribers.