## ABSTRACT

This study assessed the health care cost in Tanzania and its impact on health security particularly in Arusha City Council, specifically assessed the impacts of cost sharing mechanisms in the delivery of healthcare services, examined the performance of healthcare services delivery in Arusha City Council and identified the obstacles facing the hospitals in the delivery of health services and implementation of cost sharing mechanisms for health security well-being. This study employed descriptive research design with mixed research approaches which were qualitative and quantitative. The purposive sampling was used to select a total of 43 respondents to be involved in the study whereby 1 doctor, 1 nurse, 1 pharmacist, 1 hospital accountant and 39 communities were selected from Mount Meru Hospital and Arusha Lutheran Medical Centre. The data were collected mostly using questionnaires which administered to community members and interviews to doctors, nurses, pharmacists and hospital accountants. Questionnaires data were analysed using quantitative method of analysis through descriptive in Statistical Package for Social Sciences (SPSS Version 20) to obtain tables with frequencies and percentages while interview data were analysed using qualitative method of analysis to indicate ideas per each specific objective. The findings revealed that, health cost sharing mechanisms are like health insurance, healthcare direct payments, healthcare sponsorship or donors and free health treatment. Also, this study revealed that, health delivery status and performance is satisfactory despite the challenges. The impact of cost sharing mechanisms in the delivery of healthcare services are such as quick deliverance of health services, difficulty in making health care full payments, improving availability and the quality of health services; enhance community participation in payment for health care through community health fund. The obstacles facing the hospitals in the delivery of health services and implementation of cost sharing mechanisms are such as economic difficulties among majority, negative attitudes towards the health cost sharing mechanism, lack of mechanisms implementation and lack of medical equipment and treatment drugs.

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