Reviewer’s report

Title: Relative Efficiency and Productivity: A Preliminary Exploration of Public Hospitals in Beijing, China

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Reviewer: Jason Coupet

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Major Compulsory Revisions

-I like the authors attempt to focus this part of the paper, but your discussion of Coase's Theorem here seems unclear, specifically with regard to the links of Property Rights theory to hospital governance models. It has a few problems. Why is Property Rights Theory the appropriate Theory of the firm to use here? Coase generally posits that the nature of the existence of governance structures lies in their lower transactions costs than the alternative mode of governance. The links are unclear so I am drawing them myself, but it seems that the author is arguing 1) property rights in a hospital are well defined and 2) that transactions costs are lower outside of the traditional governance model. In the absence of evidence that both of these are the case, Coase seems out of place here. To illustrate, one could argue that the traditional governance structure exists in the first place because the transactions costs are lower.

Also, while this paper’s multi-dimensional understanding of costs and efficiency is generally a strength of the paper, it betrays the author’s point with Coase here. Coase talks about transactions costs here, the nature of which can be different than operational costs. The author needs some empirical and evidentiary legs to stand on to draw the links here, especially with regard to theory. Then, the link should be strengthened with regard to hospitals. How do these links manifest? Longer meeting times for doctors detract from productivity? I think placing Coase in this context requires a lot more discussion and evidence to draw these clear links, and this doesn’t seem like what the paper is trying to do. My advice is to take out Coase, simply assert that governance may be a cause of inefficiency, and take a sentence or two to link them, i.e., “the nature of bureaucratic tasks for hospital management detracts away from patient care time (citation).”

All other comments from the previous review seem to have been sufficiently addressed.

Level of interest: An article whose findings are important to those with closely related research interests

Quality of written English: Acceptable

Statistical review: No, the manuscript does not need to be seen by a
statistician.

Declaration of competing interests:
I declare that I have no competing interests