Reviewer's report

Title: Effects of changes in health insurance reimbursement level on outpatient service utilization of rural diabetics: Evidence from Jiangsu Province, China

Version: 6 Date: 2 February 2014

Reviewer: Xuezheng Qin

Reviewer's report:

Thank you for the response to my previous review! I appreciate the authors’ effort in revising the manuscript. Although most of my previous concerns have been duly addressed in the revised manuscript, some of the points still call for more attention. I therefore ask the authors for another round of revision.

First, in reference to my previous major comment Q4, there are still remaining issues with the econometric methodology. The current approach of using different base groups in different regressions is not suitable for estimating multiple institutional choices. In fact, discrete choice models can be used in conjunction with the DID framework to provide a more consistent estimate of the policy impact.

Second, in reference to my previous major comment Q5, I asked why it is the case that estimation on outpatient medical expenditure the policy dummies are Diff-amount 2 and Diff-amount 3, while for estimation on health facility choices the policy dummy is Diff-rate. The authors’ explanation is that yearly maximum reimbursement amount is not related to the kind of health institution, thus it should presumably not impact patients’ health facility choices. I do not agree. The reason is simple: if a patient’s health facility choice is constrained by yearly maximum reimbursement amount (because higher level health institution normally has a lower reimbursement rate), then she will most likely change her facility choice when such constraint is relieved by an increase in yearly maximum reimbursement. Likewise, the authors argue that reimbursement rate was different among three levels of health institutions, thus it cannot be used as the policy dummies for estimation on outpatient medical expenditure. I do not understand why this is the case. Supposedly, in analyzing the impact of medical insurance policies on patients’ utilization behaviors, both the quota (yearly maximum reimbursement) and the coinsurance rate (reimbursement rate) should be taken into account.

Third, in reference to my previous major comment Q6, I still do not see the revision in conclusion regarding the interpretation of increase in outpatient expenditure as “improved access to outpatient services”. Nor did I find the discussion on disentangling the concept of “improved access” from “overtreatment due to moral hazard”. Maybe the discussion is hidden somewhere in the text (the current PDF version of the manuscript is not very legible due to many formatting issues), in which case the authors can help by pointing out...
exactly where and how the revision is made. The same is true for Q7 regarding the interpretation of non-significant impact on patient health facility choice.

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

**Quality of written English:** Needs some language corrections before being published

**Statistical review:** Yes, and I have assessed the statistics in my report.

**Declaration of competing interests:**

I declare that I have no competing interests