Author's response to reviews

Title: Urban health insurance reform and coverage in China using data from National Health Service Surveys in 1998 and 2003

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Author's response to reviews: see over
Reviewer's report: General

This paper is policy relevant, revealing the unintended impact of the 1997 urban insurance reform in China. This revised version is much better and very clear now and satisfied for publication.

Major Compulsory Revisions (that the author must respond to before a decision on publication can be reached)

NO

Minor Essential Revisions (such as missing labels on figures, or the wrong use of a term, which the author can be trusted to correct)

Some minor points and clarifications that would improve and strengthen the paper are proposed

1. The terms of National Household Health Surveys in the abstract and National Health Service Surveys (NHSS) on page 5 are not consistent --- We have made the name and the abbreviation for the National Health Services Survey consistent throughout the paper including the references.

2. Determinants of coverage: The beneficiaries of GIS and LIS are the employees and the retirees while dependents enjoy partial coverage. Need to clarify whether dependent include spouses of the employee? The paper describe in page 13 that dependent children are not covered by BHIS, whether this also includes spouse? – We have added text to clarify this (page 8).

3. The individual account fund is the income related contribution by the employee + an age-adjusted contribution by the employer, clarify if the older the age, the higher contribution by employer, or vice-versa? --- We have added extra text to explain this point (page 8).

4. Para 4 page 8, there are established conditions for co-payments (The co-payment percentage split between insurance agency and insured individual varies from city to city) and ceilings. This is not in consistent with the figure in figure 1, namely several mechanisms are combined and applied, such as the Deductible, cost sharing beyond the deductibles, and capping (ie. costs beyond ceiling), and the payments for the services and drugs not covered by BHIS (non-covered items) --- We have made an adjustment to ensure the consistency between the figure (page 7) and text (page 8-9).

5. Para 6 page 9, it was not made mandatory and some enterprises have chosen to stay away from the new scheme. Clarify further if these enterprises instead apply the old LIS-GIS, or opt into commercial and non-commercial insurance, or just terminated the LIS-GIS without any replacements, and whether most of these enterprises did not have good financial status to pay their contributions, or it is the employee are not willing to join. This means who have final says on joining and vice versa – the
employer or employee. This analysis is important to explain the reasons of reduction in coverage after the reform. --- We have added text to explain this point (page 9).

6. Page 9 enforcement of membership: the description of commercial and non-commercial insurance schemes are not adequate, as the results showed these commercial and non-commercial played increasing role in 2003, in population coverage. There is a need to explain further if this is voluntary or mandatory, the benefits covered, any designated providers, premium contributions by the households or ± by the employers, exclusion conditions set by insurances. --- We added some explanatory text on this issue (pages 9-10). However, there are constraints on the extent to which can develop this point in depth. Insurance schemes outside GIS-LIS and BHIS have a high level of complexity due to their diversity, the specific conditions and arrangements of the insurance schemes as well as that of companies/agencies offering them, the particular arrangements made between the insured and insurance companies, and the contexts in which the insurance companies operate. In addition, the situation of these non-commercial and commercial schemes is also changing and there is no simple set of criteria to categorise them. They would require a separate study. These schemes are not the key focus of this paper and their analysis would divert attention away from the GIS/LIS and BHIS. We have, however, suggested that this may be an area for further investigation on page 24.

7. Page 12, Second para of quality control section, the use of ambulance services should be ambulatory services. --- It actually meant the emergency services that were used when conducting the second visits to the households in the NHSS. We added “emergency” to clarify (page 14).

8. Diversity of insurance coverage, page 17… enterprises have the option to take part or stay away, based on their judgment of economic gains/losses. Is it the enterprise or jointly decided by the enterprise and the employee. There is a need to clarify power relations between the employee and employers in making such decision. This understanding would be useful in the policy recommendations, e.g. empowering the employee to negotiate participation in BHIS. --- We added text to discuss this issue and extra references were also included (pages 20-21).

9. Page 18 the reform has increased the risk pooling capacity to a higher degree, i.e. from individual enterprise-based to municipal-wide. Clarify how large the pooling at the municipal level, e.g. a couple hundred thousand, or a few ten thousand? --- We believe the pooling size will be automatically increased as the insurance management shifted from enterprise-based to city wide. We did not provided the actual size of the pooling, as it varies greatly between the cities – given the diversity of social and economic contexts including industrial development status.

10. Page 20; clarify the participation of self-employed is solely based on their own contributions, without government subsidies? --- We have made it clear that premiums for self-employed are solely from the individuals themselves (page 21).

11. Future research: this paper only analyzes the population coverage and its profile such as gender, income and employment status. The future research should look coverage in term of benefit coverage and financial protection (whether improves or deteriorates) comparing the old GIS-LIS and the current BHIS and the emerging role
of commercial and non-commercial schemes. --- We agree this is an important issue and should be looked at in relation to the social and economic contexts in different settings. We have added a paragraph to emphasise the need for further research based on which new policies may be developed in this area (page 22 and 24).

12. Policy recommendations: why the paper does not recommend extend coverage to spouses and child dependents, through an increase in contributions by the employer and employees. --- We did mention that some cities have integrated the insurance for school children and university students into city-wide BIHS as separate entries, which is a step forward in addressing the insurance needs for children. One paragraph has been added to emphasise the need for policy development in this area (page 22).

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Discretionary Revisions (which the author can choose to ignore)

What next?: Accept after minor essential revisions
Level of interest: An article of importance in its field
Quality of written English: Acceptable
Statistical review: No
Declaration of competing interests: 'I declare that I have no competing interests'