Reviewer's report

Title: Bismarck or Beveridge: a beauty contest between dinosaurs

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Reviewer: Alan Shiell

Reviewer's report:

General

The paper addresses an issue of some importance and much interest. I worry sometimes that the interest far outweighs the importance however. Comparisons such as these do yield important insights but the story needs to be interpreted properly. The institutional characteristics of health systems are determined in part by the history and culture of the country in which they are implemented and thus it is not a simple question of choice (Bismark versus Beveridge for example). Without being a scholar of the institutional history of publicly funded health systems, I do not think it an accident of history that Northern Europe chose one way and the bulk of continental Europe chose another way.

That said, the paper has value in its collection of time series data for a number of indicators of relevance to assessing relative health systems performance. It is also well-written.

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

I have two concerns with the analysis in the paper and the interpretations that the authors draw from it. The first is in the choice of indicators. I have no complaints about what is included, only in what is not being measured. There is one important respect in which health systems that are predominantly tax-financed differ from those that are based more on social insurance. Both systems provide an insurance function (and do so more efficiently than a privately funded insurance system), but tax funded systems are also supposedly much better at redistribution. Tax systems tend to be progressive therefore the rich pay more. As there is a socio-economic gradient in the incidence of illness, tax systems redistribute from rich to poor as well as from healthy to sick. Social insurance systems also redistribute but perhaps not as well. Beveridge type systems promote equity over individual choice, thus it would not be surprising that they fare worse according to individual satisfaction. This is seen as a less important criterion than social equity. If one is to compare the performance of health systems, then one must compare them according to the objectives that each sets out to achieve. Some discussion of the role that equity plays is needed. If the authors decide that they cannot compare the two forms of health finance on this criterion, then they should at least acknowledge the shortcomings of their work and speculate on the consequences.

Secondly, the authors seem to ignore the important information contained in the fact that several of the countries in their study changed the way they finance health services. All of the 'switching' countries moved from social insurance to tax-financed. None moved the other way. This must tell you something about the way that the Bismark-type systems functioned in these countries before the shift. Either they were not achieving an important objective (equity perhaps?) or they were not performing as well as they might. It is interesting to note that the average performance of the Beveridge type systems is brought down substantially by these countries - they are all significantly below the average - and the performance of those countries that switched to Beveridge systems from Bismarkian ones is markedly different from those that were always of the Beveridge form. The authors make no mention of this. A simple sensitivity analysis comparing Bismark with Beveridge after excluding the switchers would probably show that Beveridge systems perform better on all criteria. Thus, I suspect that the authors are being a little disingenuous in their failure to explore this issue.

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

None
Discretionary Revisions (which the author can choose to ignore)

None

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, the manuscript does not need to be seen by a statistician.

Declaration of competing interests:

I declare that I have no competing interests