Reviewer's report

Title: Factors Determining Catastrophic Health Expenditure: Evidence from Georgia and its Policy Implications

Version: 2 Date: 15 October 2008

Reviewer: Subhash Pokhrel

Reviewer's report:

This is an interesting paper exploring the extent of and the factors determining the level of catastrophic health expenditure in Georgia, a country in transition. This paper is timely as it attempts to establish the baseline for a major policy reform started recently. However, there are some flaws that the authors might want to address:

1) In the abstract, the concluding paragraph needs to be a bit more specific i.e. what could be the most appropriate way(s) to ensure increased financial protection given Georgian context at present?

2) We know already from research conducted elsewhere that poverty is associated with higher level of catastrophic health expenditure. This study also suggests that. More discussions are needed as to how policy makers could respond to this piece of important information. The authors talk about measures such as introducing catastrophic risk coverage for poor population, etc. These needs to be elaborated. My major concern here is the findings are not properly located in the present context of health care reform in Georgia and several neighbouring countries (mainly the former Soviet Union). Discuss how the findings can help policy makers to understand the role of public funding, separation of provision from financing and other structural reforms, etc. on the overall policy objective?

3) This paper needs to be structured. Please use several sub-headings to guide the readers.

4) The section on methodology needs to be organised substantially. Please provide details of the surveys, sampling design and the sort of questions asked. If these surveys are described elsewhere, please provide a short description and refer accordingly. Provide adequate information to appreciate the generalisability of your findings.

5) This is all about household's catastrophic health expenditure and therefore the unit of analysis is the household. Results are presented both at individual and household levels. Please provide a footnote at the end of the tables or justify it in the text.

6) It would be helpful to provide a detailed account of the modelling process. What were the variables included in the base model and the
basis on which the reduced model was decided? Also, I would like to see whether the model was specified well.

7) It is not clear to me why the authors calculated the fairness in financial contribution, particularly when I see no discussions at all on this point.

8) Move study limitations to discussion section. The first bullet point gives a strong indication that your estimates could suffer from a selection bias. You could potentially control for selection bias using econometric techniques. If you choose not to, please justify.

9) You acknowledge the limitations but do not discuss their implications for your findings.

10) Results: Please note point 5 above. This applies to some of the texts presented in your results section too.

11) The issue of how households report their illnesses in surveys is important (and messy too). As health care utilisation is based on illness reporting, your sample may suffer from a selection bias. Please see point 8 above though the bias here could be at different level.

12) Please double check if you are interpreting your logistic regression results correctly.

13) I was wondering if the model coefficients could be used to simulate some important policy questions. For example, how would the probability of facing catastrophic health expenditure change if the government subsidised hospitalisation costs by, say, 25%?

14) The last paragraph in the Discussion section (just before Policy implications) does not follow readily from your findings though there is an indirect link. Please discuss.