Author's response to reviews

Title: Quantitative analysis of health insurance and utilization: evidence from one middle-income country using household survey data

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Response note

First, many thanks to Dr. Raad for the valuable comments on my manuscript. Below, I address each of them and explain how I have responded.

General comments

Relevancy of topic:

The exact efficiency and equity implications of the ‘costs’ associated with a multiple insurance system such as Jordan’s is of course an important point. As this was indeed one of the major overall points (as opposed to a specific objective) of the paper, I appreciate that the reviewer brings this up and urges me to better articulate it at various sections of the paper. I have added one paragraph in the Background section and also refer to this issue in the Discussion section.

Context:

I am grateful for learning about the recent developments of the Royal Court and agree that it is of relevance here. I think this is best covered by a discussion of some recent developments in the Discussion section of the paper (page 28) since, as pointed out by the reviewer, it has a bearing on the interpretation of the results.

Econometric model:

Again, this issue deserves careful attention in the Discussion section of the paper.

Specific comments

1. The principal-agent framework model of healthcare demand is laid out in page 6 and is contrasted with the Grossman model; and it is argued that this model better represents true behavior in the healthcare sector. It also has implications for the methods employed for analysis. It would be a good
idea to bring back this framework towards the end of the paper and discuss briefly what the findings have revealed about its assumptions. It is sort of presented in the beginning and not tied it at the end.

Response: This point is well taken and I have reviewed the text accordingly. Specifically, I return to this issue in the Discussion section of the paper.

2. I would recommend altering the title to better reflect the true focus of the paper. The suggested title would be: ‘The Impact of Health Insurance on Outpatient Utilization and Expenditure: Evidence from….’

Response: This point is well taken. The revised full title of the paper is “The Impact of Health Insurance on Outpatient Utilization and Expenditure: Evidence from one Middle-Income Country using national household survey data”.

3. There is somewhat of an inconsistency between the general findings of the study, as stated in different sections of the article. In the abstract on Page 2, it is stated that ‘generally, insurance is found to increase the probability of care’ whereas on Page 27, it is stated that ‘specifically, model (1) shows that, in general, health insurance does not affect the probability of utilizing health care.’ I would recommend changing the language in the abstract to make it more consistent with the general findings of the analysis, which are discussed towards the end of the paper. Moreover it is stated that the probability of using health services rises significantly with coverage by the Civil Insurance Program – but it is only at the 10 percent significance level.

Response: It is of course not acceptable with any inconsistencies. I have reviewed the text in accordance with the reviewer’s recommendations, both in the Abstract and on page 27.
4. Another point I would add the end of the first paragraph on page 5 (to show low value for money in the Jordanian system), in addition to mentioning the large coverage gap of 40 percent, is the level of overall health spending in the country. It is over 10 percent of GDP and is the second highest level of health spending in the region after Lebanon. This point is mentioned later in the article but I thought it would be good to mention it upfront in the paper.

Response: Unquestionably, the very high level of health spending in Jordan deserves mentioning. I do this on page 5 as recommended by the reviewer.

5. In the literature review (page 9) the author mentions that ‘only one study’ looks at multiple insurance program simultaneously in reference to the work in Australia. I am familiar with the Yip and Berman work on school health insurance in Egypt and they do look at and include ‘other’ insurance schemes in their econometric model.

Response: This is true and I have rephrased this sentence to reflect this issue. The point I want to make is that while Australia is a high-income country, no other study has looked at the specific insurance programs in a disaggregated analysis such as this one in a low- or middle-income country providing evidence on the impact of insurance also from these contexts.

6. Two minor types were noticed: (i) first sentence of last paragraph of page 7 needs to be revised and (ii) the second sentence of the second paragraph should read ‘more well off’ rather than ‘will off’.

Response: (i) While it is unclear to me why this sentence needs revising as it is grammatically correct, this sentence now reads ‘Another early contribution is [10] that uses household data from Australia
and does two things.’ Accordingly, the third sentence of the same paragraph has been revised to avoid repetition.

(ii) This typo has been corrected.

7. The various tables presented by the paper should have been included in this draft for peer review comments. Seven tables were mentioned in the body of the text but never appeared for review.

Response: It is unclear to me why the tables were not made available for review as these come ordered at the end of the paper.

Miscellaneous:

I have made some minor revisions of the text to correct some typos and grammatical errors, and to improve the clarity of the discussion.