

AN EVALUATION OF PROCEDURES FOR SELECTING A
HEALTH INSURANCE SCHEME
FOR RURAL AREAS OF GUANGXI, P.R.CHINA



Mr. Ding-Qiang Liang

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Graduate : Ding-Qiang Liang

Department : Economics

Advisor : Professor Somkid Keawsonthi

Co-advisor : Dr. Pongsa Pornchaiwiseskul

Accepted by the Graduate School, Chulalongkorn University in partial fulfillment of the requirements for a Degree of Master of Science in Health Economics.

..... *Santi Thongsuran* Dean of Graduate School
()

Thesis Committee:

..... *Wattana S. Janjaron* Chairman
(Asso. Prof. Dr. Wattana S. Janjaroen)

..... *Somkid Keawsonthi* Advisor
(Prof. Somkid Keawsonthi)

..... *P. Pongsa* Co-advisor
(Dr. Pongsa Pornchaiwiseskul)

..... *Siripen* Member
(Dr. Siripen Supakankunti)

..... *Chev Kidson* Member
(Dr. Chev Kidson)

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The research is a methodological study to design an evaluation procedure for selecting a health insurance scheme for rural areas of Guangxi, P.R. China.

There is an urgent need to implement some kind of health insurance scheme in Guangxi to finance the consumption of essential health care by most of the peasants. But given the need, how should an appropriate health insurance scheme be designed or selected?

In the research an attempt has been made to develop analytical and evaluation procedures which can be used to support decision making about a health insurance scheme.

In the first stage broad social objectives, to be achieved through implementing health insurance, and the operational and feasibility constraints which could impede achievement of the objectives were identified. Objectives and constraints were analyzed and efforts made to identify one or more specific indicators by which assessment could be made of effects.

The main elements which contribute to insurance schemes were then identified and the alternatives for each element listed. The effect of each element on each objective was assessed, based upon economic principles, using the indicator of each objective for the analysis. The relation of elements to constraints was also explored. The possible effect of each alternative within each element set was then scaled.

The trade off between the efficiency of each alternative (performance in meeting objectives/performance in meeting constraints) was then evaluated using a Multi Criteria Analysis. Since objectives and constraints will have different priorities (determined by political and economic concerns) three alternative sets of weights were assigned so that the effects of such weights could be assessed. The selected alternatives, within each element set, are then combined into a scheme and the relative performance of the selected alternatives compared to determine the most important alternatives.

The final stage of the process, Multi Criteria Analysis, facilitates choice but requires that decision makers make clear their priorities before that choice is made.

The approach followed is very challenging but is useful in revealing the many uncertainties which, at the moment, are broadly ignored when deciding on insurance schemes. The approach should be further developed.

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