

## **Development of State Health Insurance System in Georgia**

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Since 1994, health resources in Georgia have become insufficient. The spending for the health care services per person in 1985 were US\$95.5, US\$12.2 in 1989, and US\$0.9 in 1994. Currently there are 58.5 physicians per 10,000 inhabitants. The birth rate decreased from 16.7 in 1989 to 11 in 1997. The mortality rate of pregnant women due to extragenital pathologies, iron deficiency anemias (40% of the total pregnant women), iodine deficiency and complicated abortions are also on the increase. The State Parliament of Georgia decided to reorganize the health care system and, in August 1995, State Health Care Programs and the new system of reimbursement of providers were launched. The monthly contribution rate of medical insurance, which was 4% of the payroll (3% paid by the employer and 1% by the employee), is transferred from the Central Budget directly to the State Medical Insurance Company, which implements nine State Curative Programs. State medical insurance system co-exists with municipal and private health care. Municipal health coverage is closest to the universal coverage (over 80% of the population), and municipal health care services are the closest to a basic package of services satisfying most health care needs of the population. The exceptions are pregnant women and mothers and children under 1 year of age, who are covered by the Federal Programs under State Medical Insurance.

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