GALT & TAGGART
CREATING OPPORTUNITIES

Georgia's Healthcare Sector

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Executive summary

Demand on healthcare services in Georgia is largely driven by rising prevalence of age-associated diseases and improved accessibility, supported by increased government spending.

Public health spending tripled to GEL 1.3bn over 2010-19, reducing share of out-of-pocket payments from 73% to 56% of total health expenditure in Georgia. This ratio is still high compared to EU (16%) and peer EM countries in the region (38%). The government plans to reduce share out-of-pocket health expenditures to 30% of total by 2030[1].

New wave of reforms aims to make healthcare provision more sustainable through: 1) more targeted UHC model (effective from 2017), 2) new funding model - Diagnostic Related Grouping (DRG, to be launched in the near future), 3) new requirements for hospital infrastructure and human resources from 2021.

Hospital sector in Georgia shows low efficiency. Number of hospital beds stood at 4.7 per 1,000 people in 2019, above peers and many high income countries globally. With oversupply of hospital beds, occupancy rate is low (49% in 2019). Implementation of DRG model is expected to reduce market fragmentation and increase efficiency.

[1] Vision for Developing the Healthcare System in Georgia by 2030

Utilization of primary healthcare is still low in Georgia, despite significant improvement in accessibility over the last decade. Outpatient contacts per person stood at 3.6 in 2019 in Georgia vs 7.0 in EU.

Georgia faces oversupply of physicians and undersupply of nurses, with only 0.6 nurses per physician in Georgia vs 2-5 nurses in European countries. As a result, Georgian doctors are 3 to 5 times less productive than peers in terms of patients treated annually.

Georgia shows high incidence of COVID-19, with total confirmed cases up to 4,400 cases per 100,000 people as of December 9. Furthermore, testing seems to be insufficient to capture all the infected, with average 30% positivity rate in November. Mobility restrictions were reintroduced at end-November to limit virus spread.

COVID case fatality rate remains less than 1% in Georgia, below many developed and emerging countries in Eurasia. More than 7.2k COVID beds are prepared, out of which 6.9k are occupied as of December 10. There is a room to reduce hospitalization rate, relaxing burden on hospital sector.

Vaccine candidates against COVID-19 show promising results. Georgia has already ordered first lot of vaccine (worth of US$ 4mn), expected to be available from spring 2021.

Content

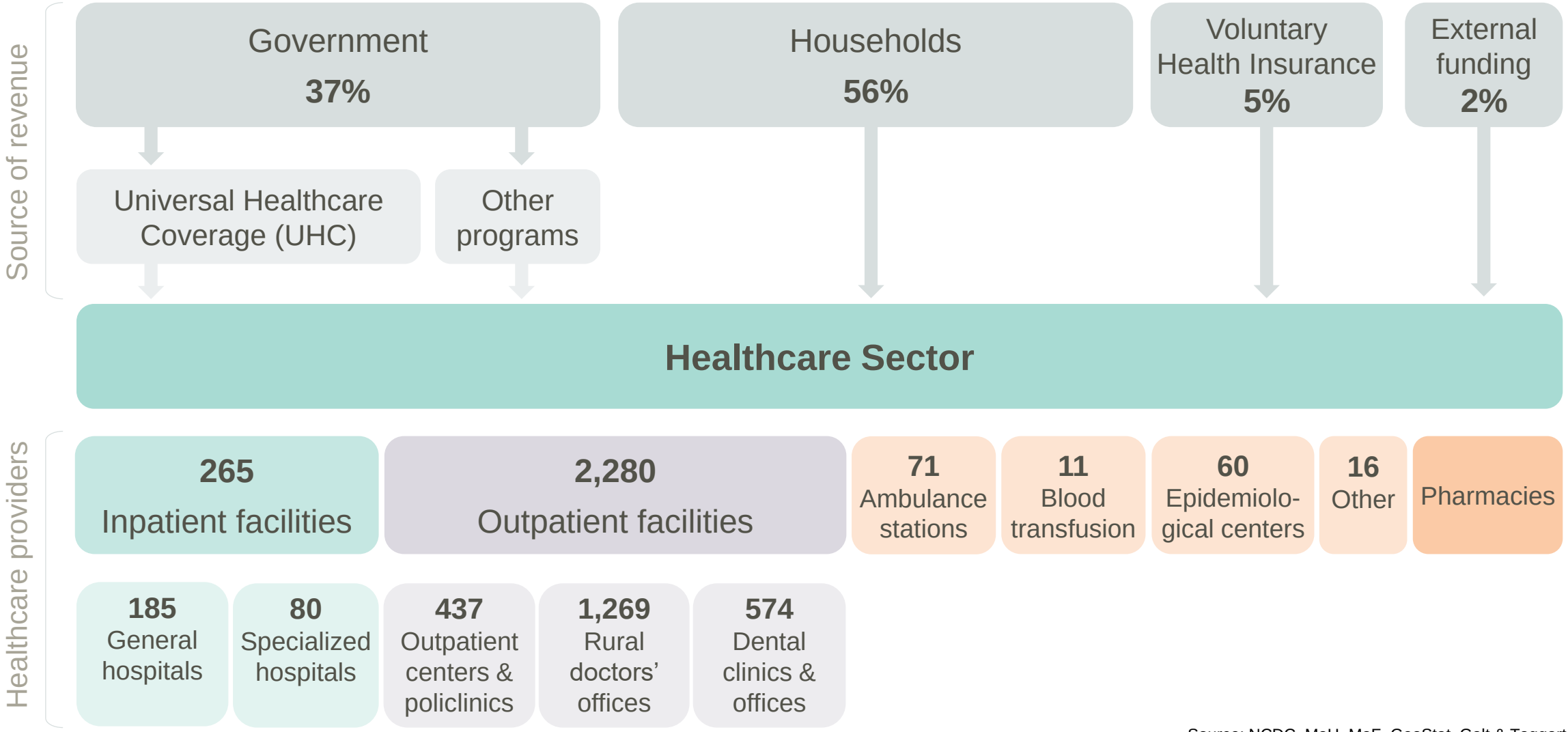
Terms & Definitions

Term	Definition
Inpatient care	Care for a patient who stays for a minimum of one night in the hospital or other institution providing inpatient care
Outpatient (ambulatory) care	Medical care provided on an outpatient basis (without hospitalization), including diagnosis, observation, consultation, treatment, intervention, and rehabilitation services
Bed occupancy rate	Average number of days when hospital bed was occupied as % of available 365 days
Hospitalization	Admission in a hospital for a minimum period of 24 consecutive inpatient care hours
Average length of staying	Average number of days that a patient stays in a hospital
Outpatient contacts	The number of visits to health facilities for outpatient (ambulatory) care during a year
Out-of-pocket payments	Direct payments made by individuals to health care providers
GWP	Gross Written Premium
MoH	Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia
MoF	Ministry of Finance of Georgia
NCDC	National Center for Disease Control and Public Health
OECD	Organisation for Economic Co-operation and Development
WHO	World Health Organisation

$$\frac{\text{Total utilized bed-days} \times 100}{\text{Number of beds} \times 365}$$

$$\frac{\text{Total number of occupied hospital bed-days}}{\text{Total number of admissions or discharges}}$$

Healthcare system in Georgia, 2019



Source: NCDC, MoH, MoF, GeoStat, Galt & Taggart

Key reforms in Georgia's healthcare system

2007

- The government started the hospital sector privatization.
- Public health insurance through private health insurance packages was introduced for the vulnerable families (21.3% of the population).

2009

- Private insurance companies were allowed to build, renovate, and operate hospitals in order to provide healthcare services for the targeted population through contracts tendered by the government.

2010-11

- License requirements for hospital activities were simplified.
- Additional ambulatory facilities were launched in rural areas. Training programs for rural doctors and nurses were introduced.

2013-14

- The government introduced an Universal Healthcare Coverage (UHC).
- Up to 150 new hospitals were built and became operational.
- Prescriptions became obligatory for over 50% of drugs available in pharmacies.

2017

- UHC model became more targeted to socially disadvantaged groups.
- Electronic prescription was introduced.
- Vulnerable families started to receive reimbursement for chronic illness medications.

2019

- Under UHC, the government set prices for certain procedures for circulatory system diseases in Nov-19, aiming to standardize hospital reimbursement and limit healthcare expenditures.

Since May 2017, UHC model has become more targeted towards socially disadvantaged groups

Excluded from UHC coverage

- Citizens with more than GEL 40,000 annual income (c. 50,000 persons)
- Citizens involved in private insurance system or insured by the employer

Limited UHC coverage with co-payment

- Middle-income population with revenues between GEL 12,000 and GEL 40,000 annually

Slightly limited UHC coverage

- Citizens with less than GEL 1,000 monthly income
- Self-employed population
- Seasonally employed population

Unchanged UHC coverage

- Socially vulnerable groups *(up to 100,000 rating scores)*
- People with disabilities
- Internally displaced persons
- Children
- Pensioners
- Teachers
- Students

Universal services

- Treatment services for childbearing, cesarean section, high risk pregnancy, maternal and infectious diseases
- Other state programs of the Ministry of Health (e.g. Tuberculosis management, Elimination of hepatitis C, etc.)

Financed with medicines for chronic diseases

- Socially vulnerable families, with up to 100,000 rating scores*

**Note: Social rating is a tool to identify vulnerable families, lower the score - more socially disadvantaged the family is.*

New funding model of hospital and emergency services – Diagnostic Related Grouping (DRG)

The government plans to implement a new funding model of UHC - Diagnostic Related Grouping (DRG). DRG model determines reimbursement based on patient's diagnosis and various other factors (e.g. age, gender, geography, etc.). The DRG model is expected to enhance efficiency and sustainability of healthcare system.

Before the DRG	DRG model
The hospital gets paid per **each specific service** provided	The hospital gets a predetermined amount **based on the diagnosis**, adjusted based on a variety of factors
Creates incentive for hospitals to **over-treat patients**	Encourages hospitals to become **more efficient** in treating patients
Large number of **new small hospitals** emerged, causing inefficiency	Scale becomes key factor of successful performance, enhancing **consolidation** and reducing market fragmentation

1. Healthcare system and regulatory changes

2. Healthcare expenditures

3. Healthcare infrastructure and human resources

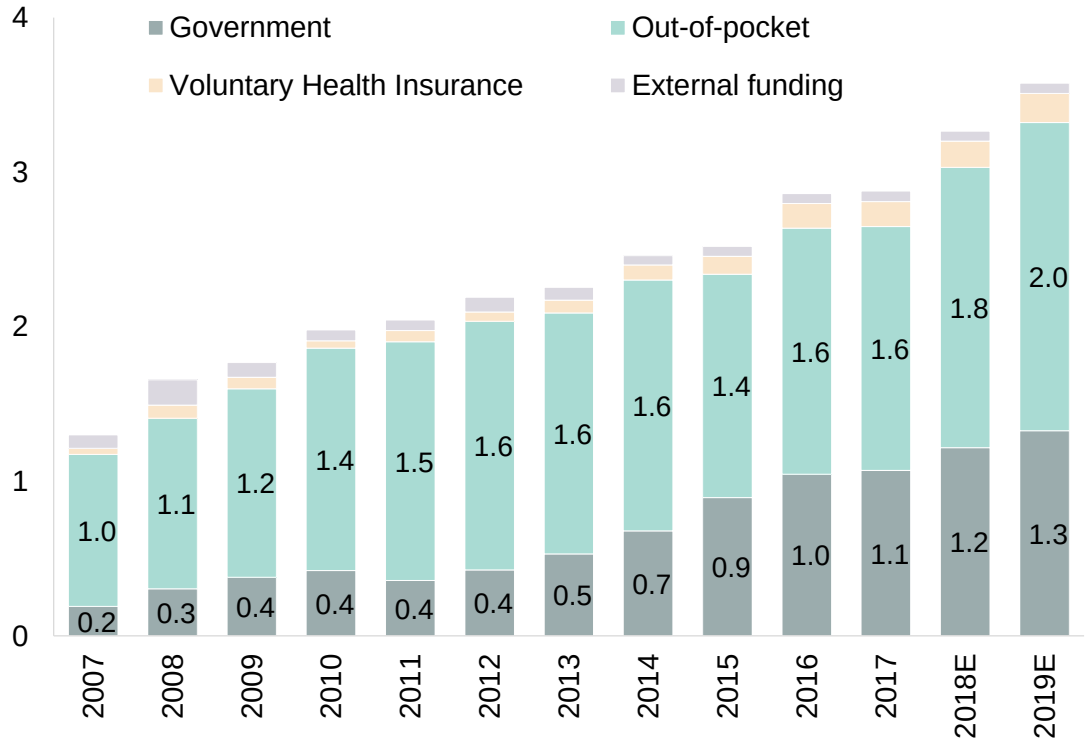
4. COVID-19

5. Annexes

Increased government spending since 2013 boosted healthcare expenditures in Georgia

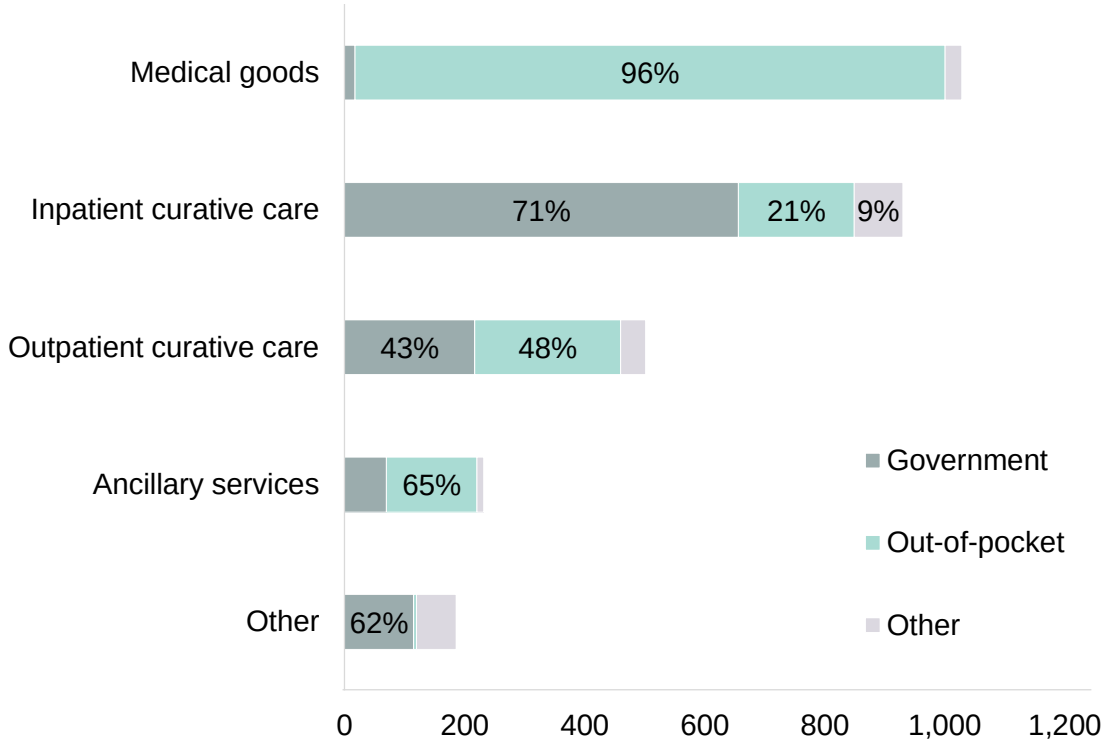
State healthcare spending tripled to GEL 1.3bn over 2010-19. Increased government funding and development of private insurance sector reduced share of out-of-pocket spending in total health expenditure by 17ppts to 56% over 2010-19. Out-of-pocket payments (mainly spent on medicines) are still high in Georgia compared to EU (16%) and peer EM countries in the region (38%). According to Vision for Developing the Healthcare System in Georgia, the government aims to reduce share out-of-pocket health expenditures to 30% by 2030.

Healthcare expenditures by source, GEL bn



Source: MoH, MoF, GeoStat, Galt & Taggart

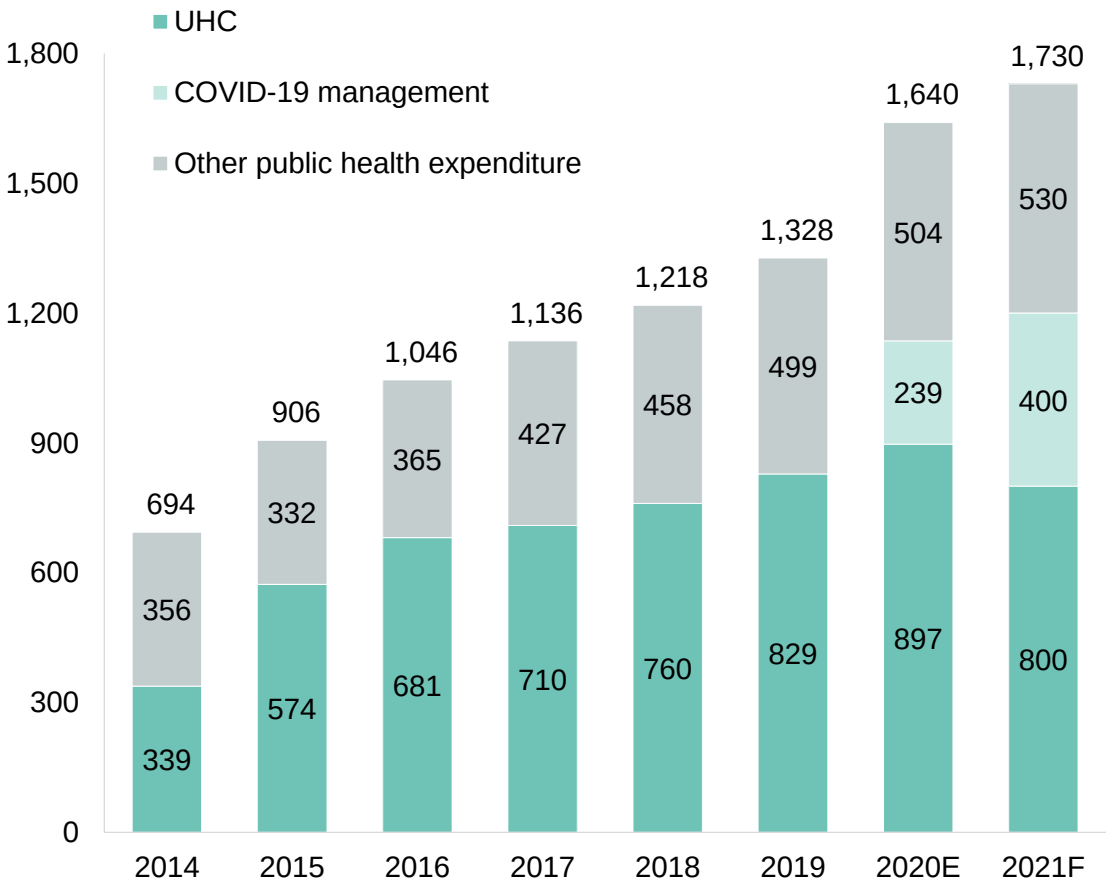
Healthcare expenditures by function, GEL mn



Source: MoH

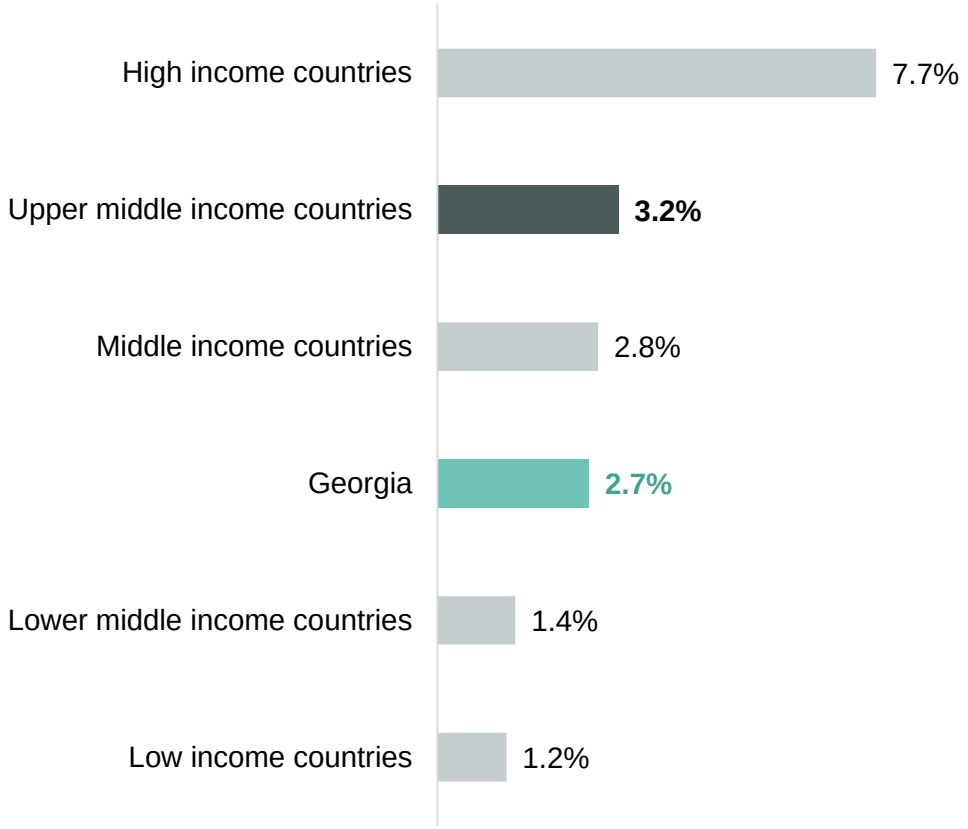
Despite growth, public healthcare expenditures at 2.7% of GDP in Georgia is low compared to peer countries

Public healthcare expenditure breakdown, GEL mn



Source: MoF, Galt & Taggart

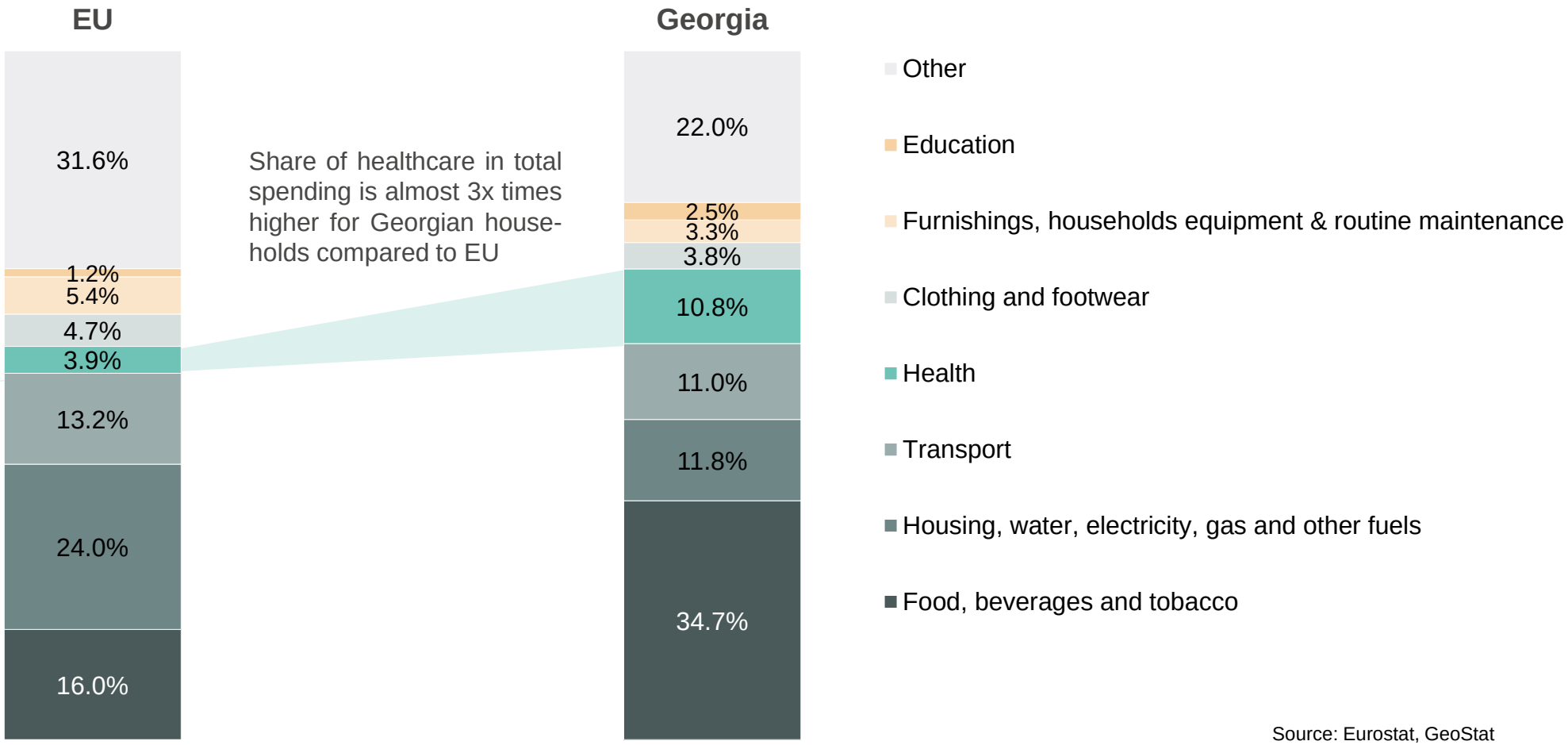
Public healthcare expenditures as % of GDP



Source: MoF, GeoStat, World Bank
Note: Reference year is 2019 for Georgia and 2017 for other countries
Georgia is an upper middle income country according to World Bank

Healthcare expenditure accounts for 10.8% of total annual spending of average Georgian household

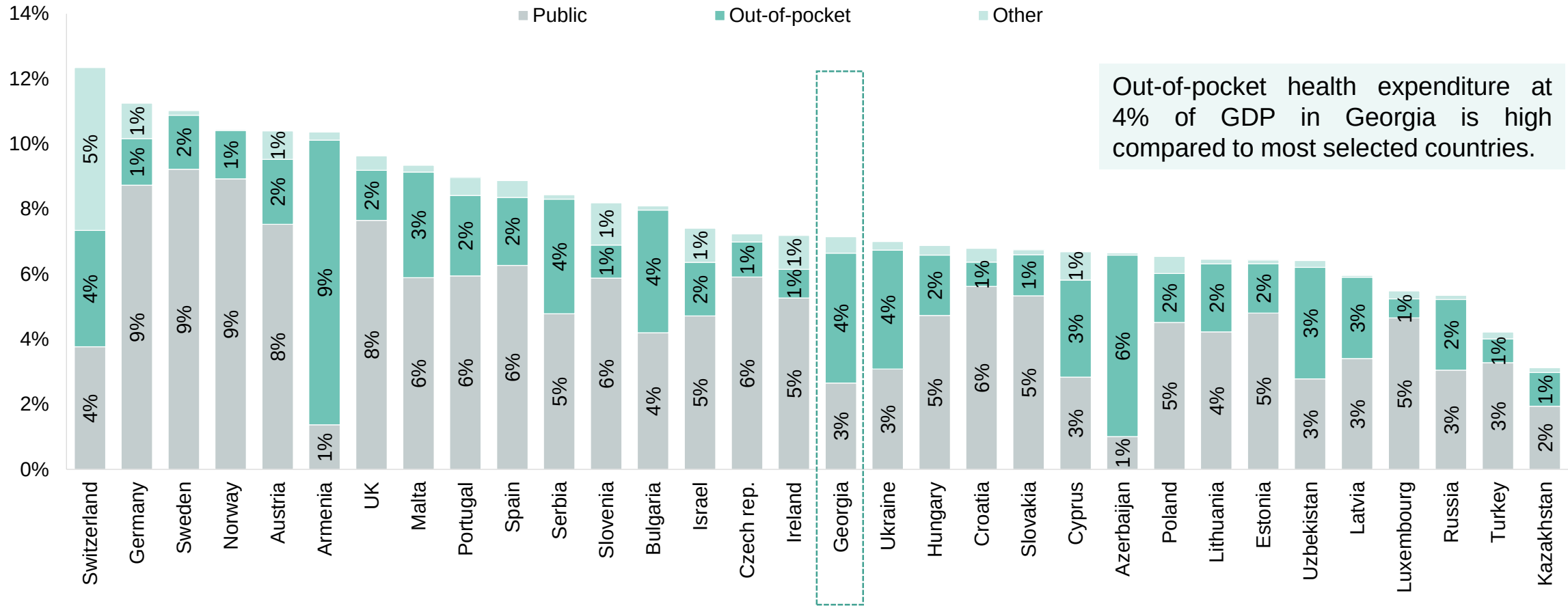
Composition of household expenditures



Source: Eurostat, GeoStat
Note: EU data is given as of 2018, Georgia - 2019

We estimate total health expenditures in Georgia at 7% of GDP in 2019, close to peer average

Current healthcare expenditures as % of GDP

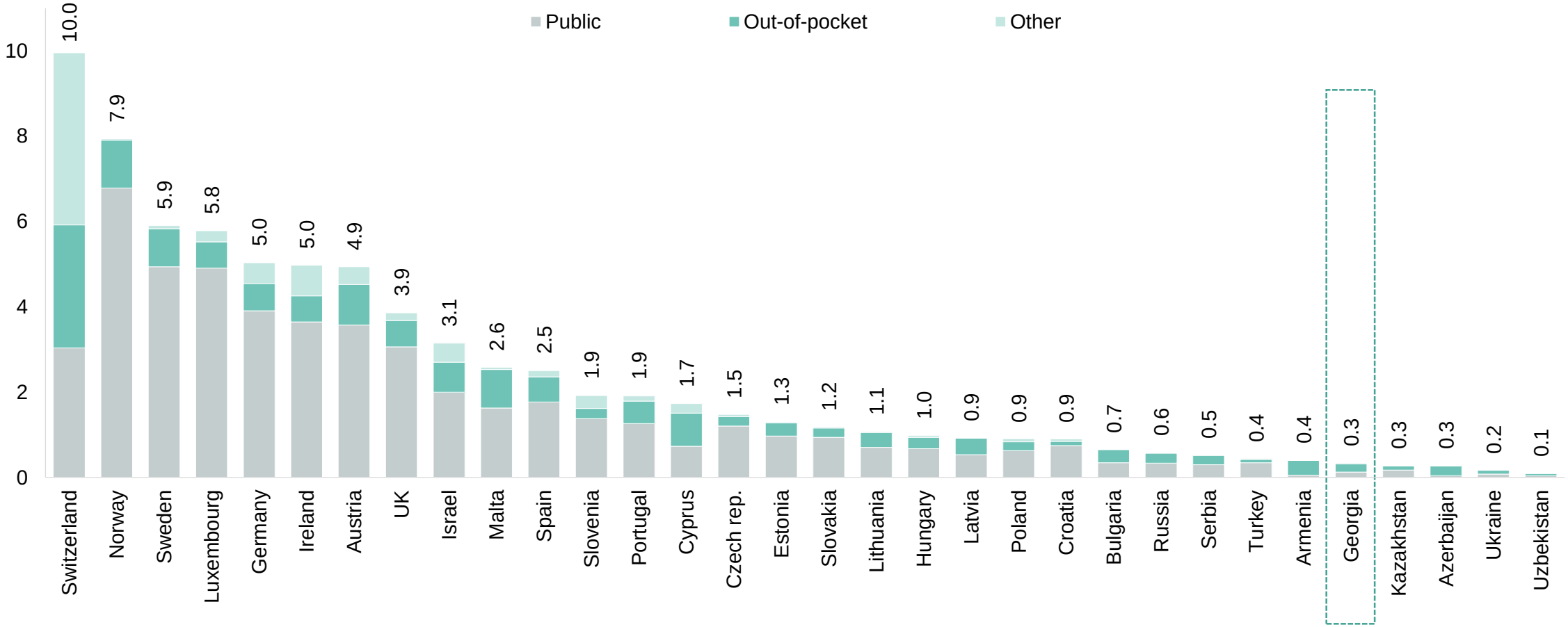


Out-of-pocket health expenditure at 4% of GDP in Georgia is high compared to most selected countries.

Source: World Bank, MoH, GeoStat, Galt & Taggart
Note: Reference year is 2019 for Georgia and 2017 for other countries

…However per capita health spending is one of the lowest among European and neighbouring countries

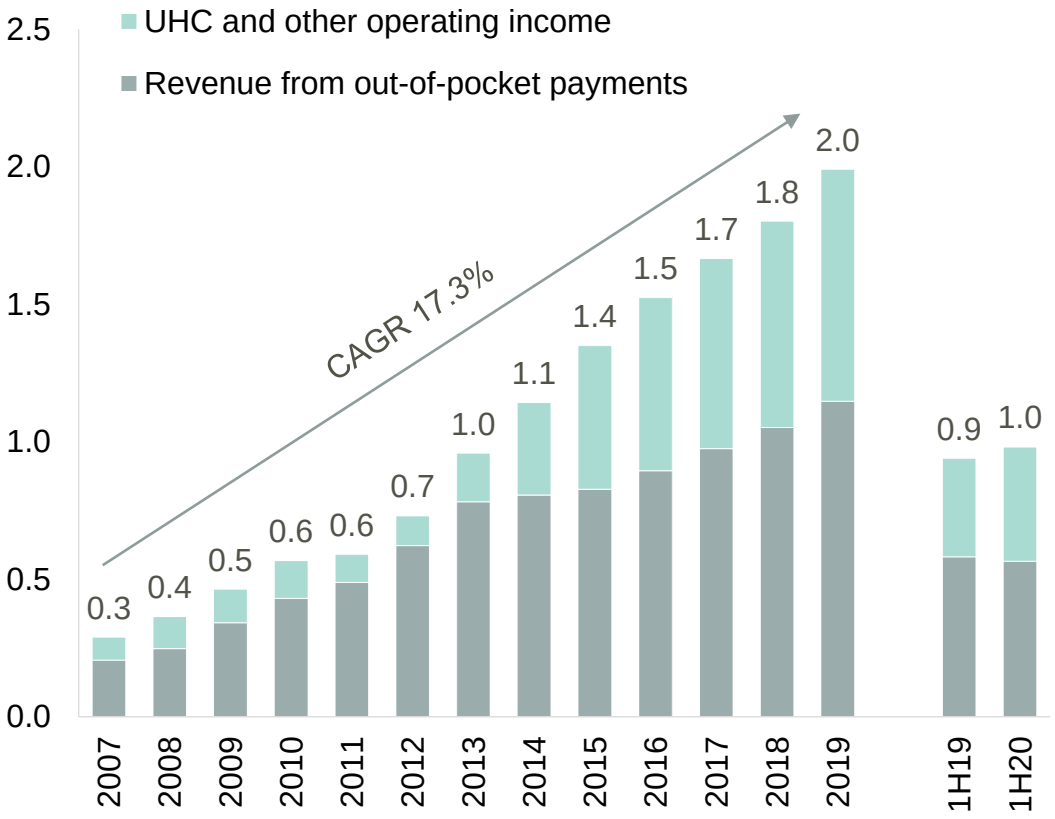
Current healthcare expenditures per capita, US$ '000



Source: World Bank, MoH, GeoStat, Galt & Taggart
Note: Reference year is 2019 for Georgia and 2017 for other countries

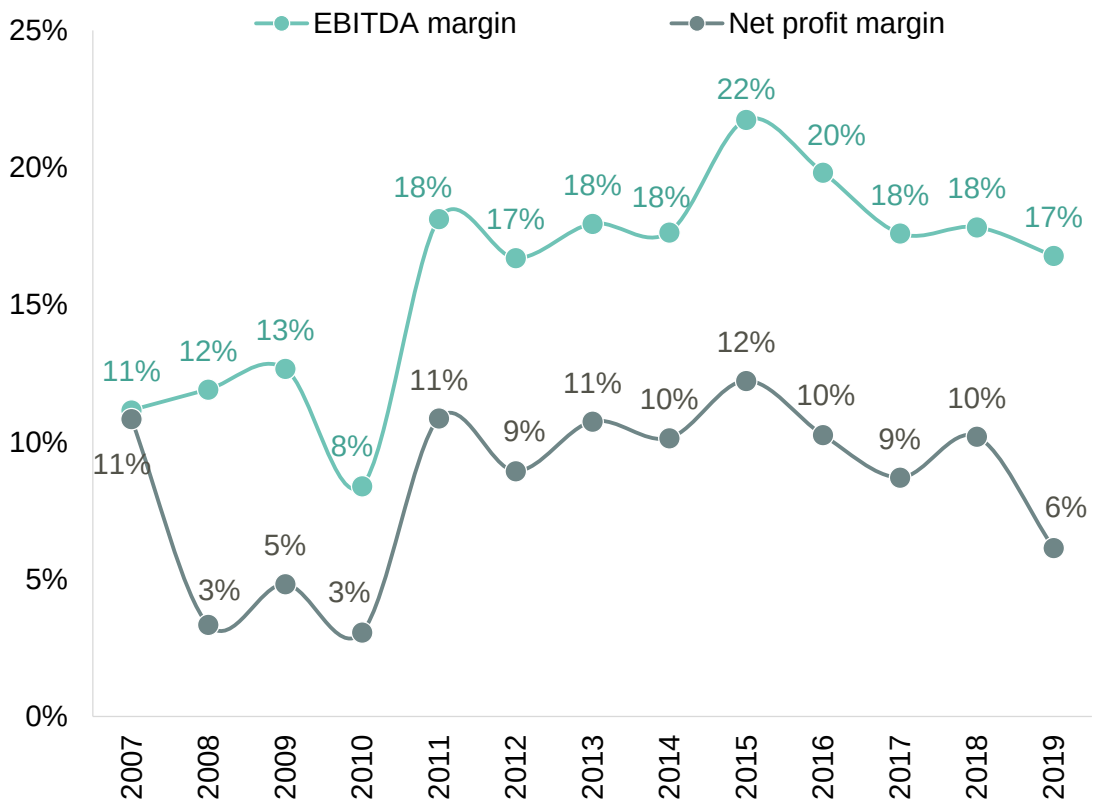
UHC accounts for c. 40% of total GEL 2.0bn revenue, generated by the private healthcare sector

Private healthcare sector revenues, GEL bn



Source: GeoStat
Note: UHC comprises vast majority of UHC and other operating income category; Revenues do not include trade of pharmaceuticals

Profitability of private healthcare sector

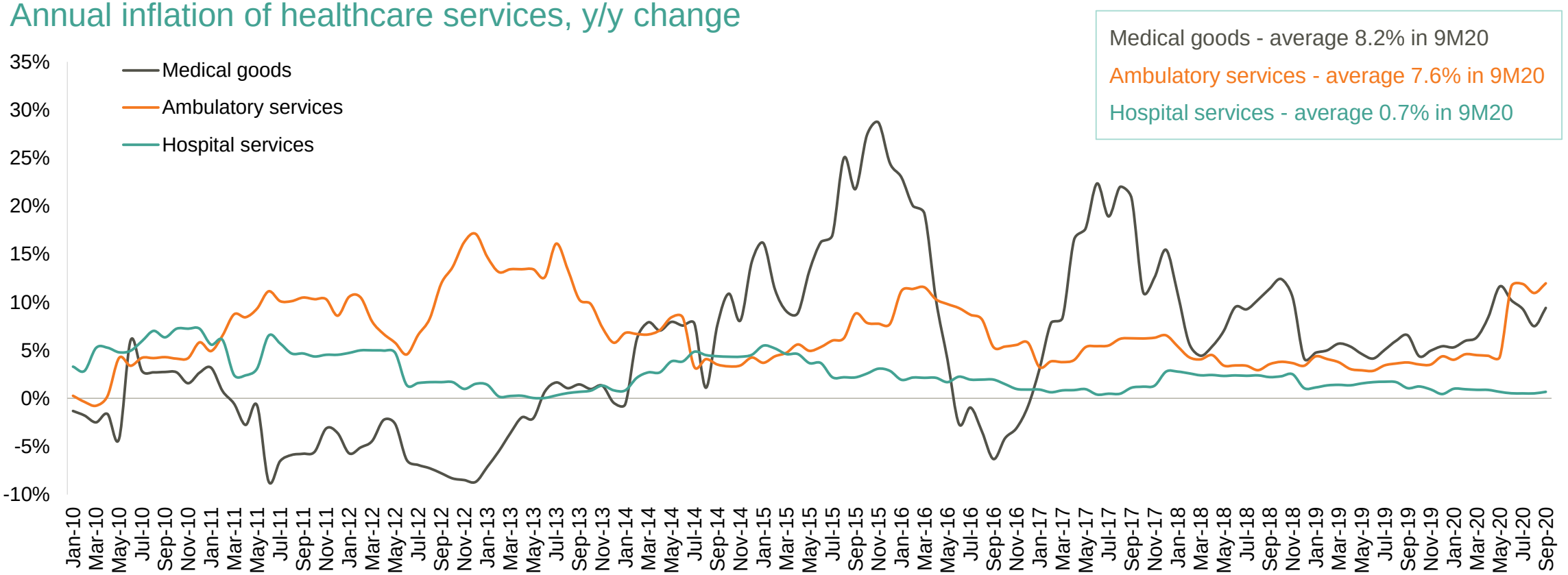


Source: GeoStat, Galt & Taggart

Prices of medical goods and ambulatory services hiked in 2020, while hospital services show low inflation

Hospital services annual inflation remains at low-single-digit since 2012. Meanwhile, prices of ambulatory services and medical goods have been highly volatile over 2010-20. Inflation of medical goods is mostly related to changes in global prices and GEL's exchange rate as most of medical goods are imported.

Annual inflation of healthcare services, y/y change



Source: GeoStat

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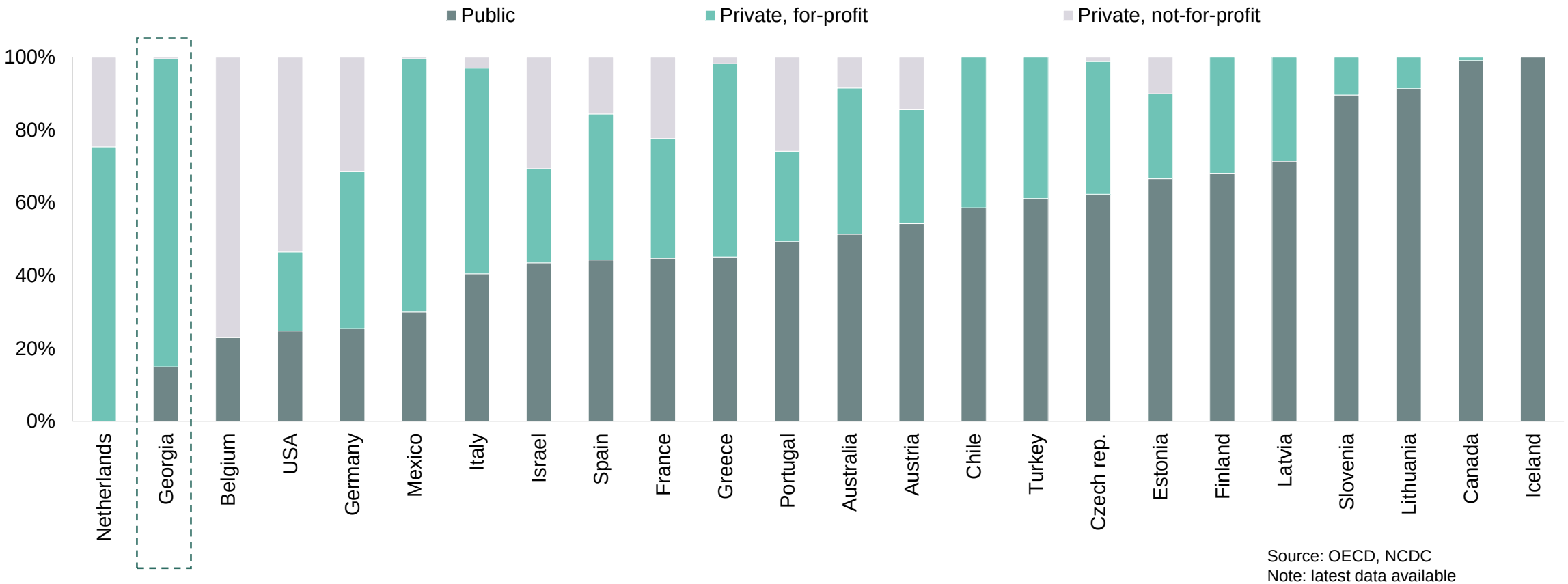
5. Annexes

Georgia has one of the highest levels of private ownership of hospitals, ahead of many developed and EM countries

Healthcare industry in Georgia is dominated by private sector. 86% of hospitals are owned by for-profit private entities, while remaining 14% (mostly specialized hospitals, such as psychiatric, tuberculosis and penitentiary hospitals) are still operated by public institutions.

Distribution of hospital infrastructure by ownership type

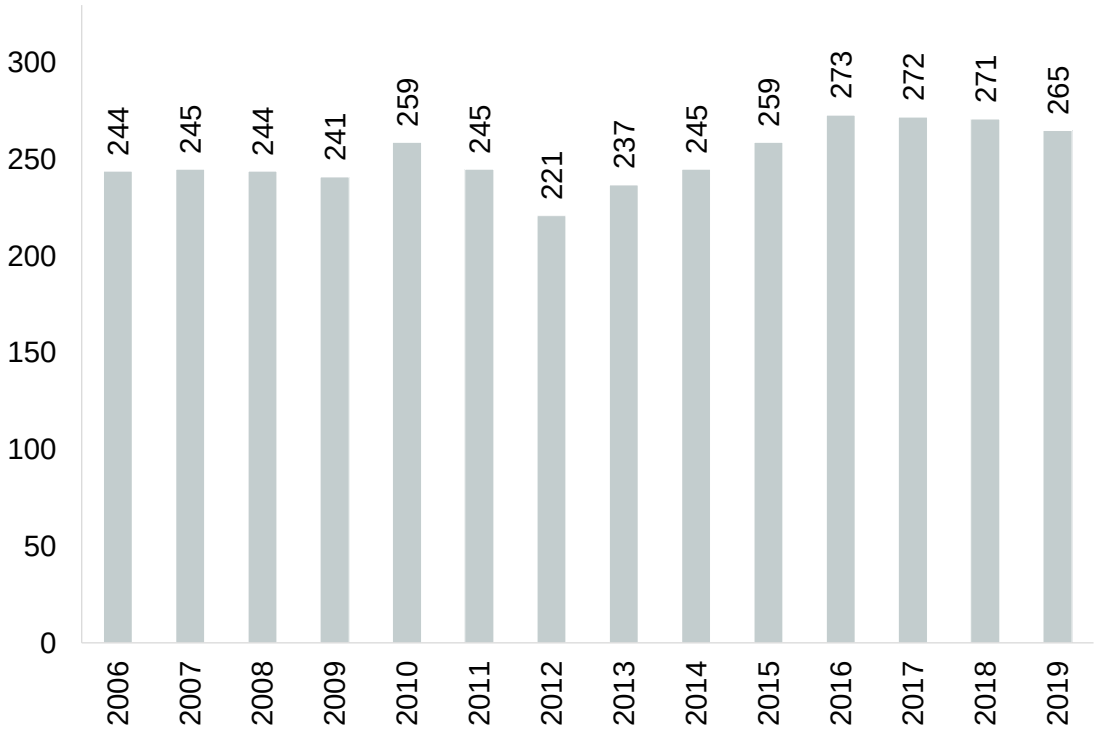


Source: OECD, NCDC
Note: latest data available

Number of hospital beds continue rising, reaching 17.5k beds (4.7 per 1,000 persons) in 2019

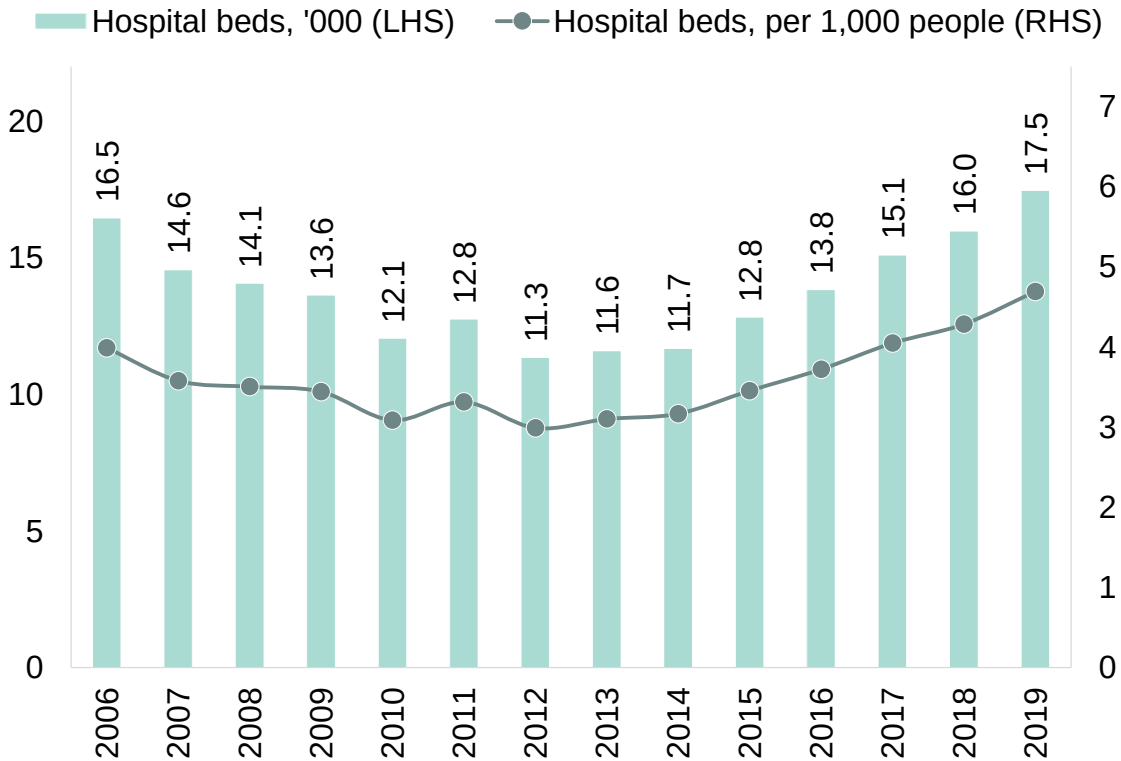
Privatization aimed at eliminating excess hospital beds, a Soviet Union legacy, and renovating the remaining. As a result, the number of hospital beds decreased to 3.0 beds per 1,000 persons in 2012. However, after replacement of old facilities, sector moved to expansion phase, reaching 4.7 beds per 1,000 persons in 2019 (or 17.5k in absolute terms).

Number of hospitals in Georgia



Source: NCDC, GeoStat

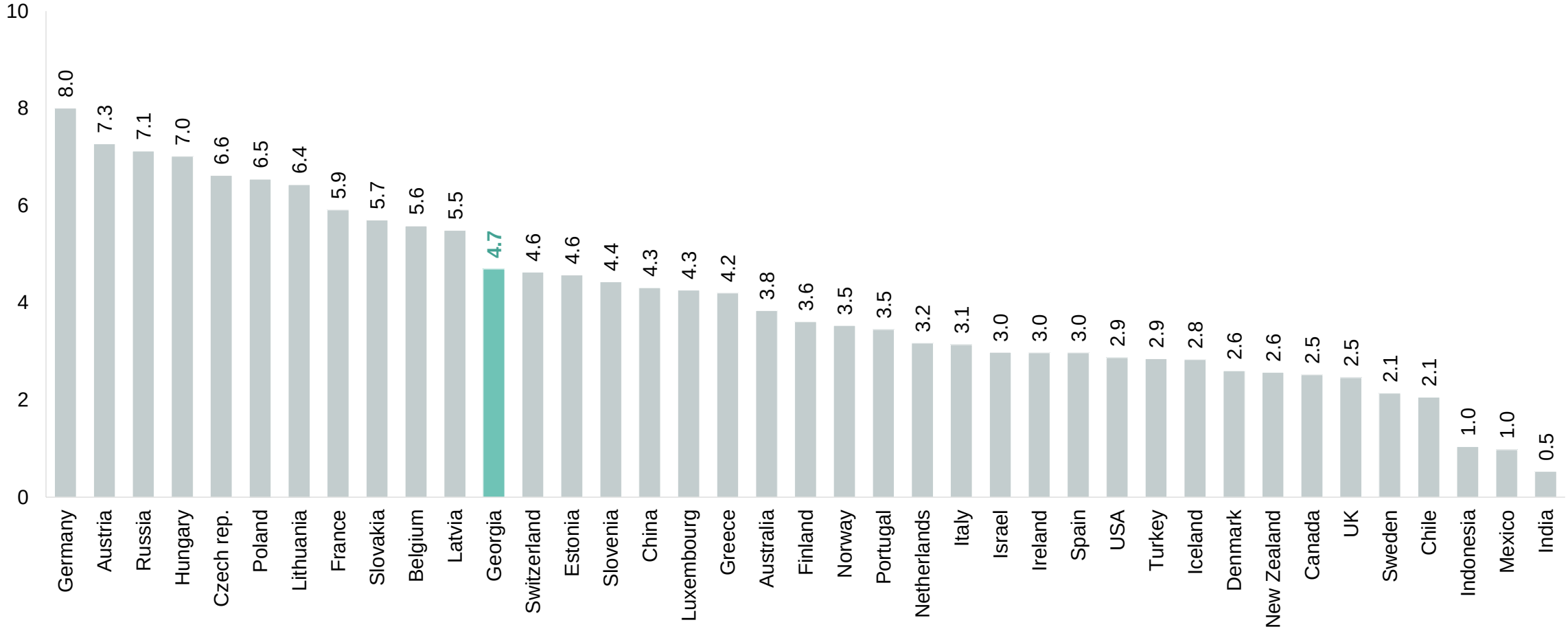
Number of hospital beds in Georgia



Source: NCDC, GeoStat

Number of hospital beds relative to population size is high in Georgia compared to peers and many high income countries

Number of hospital beds per 1,000 people

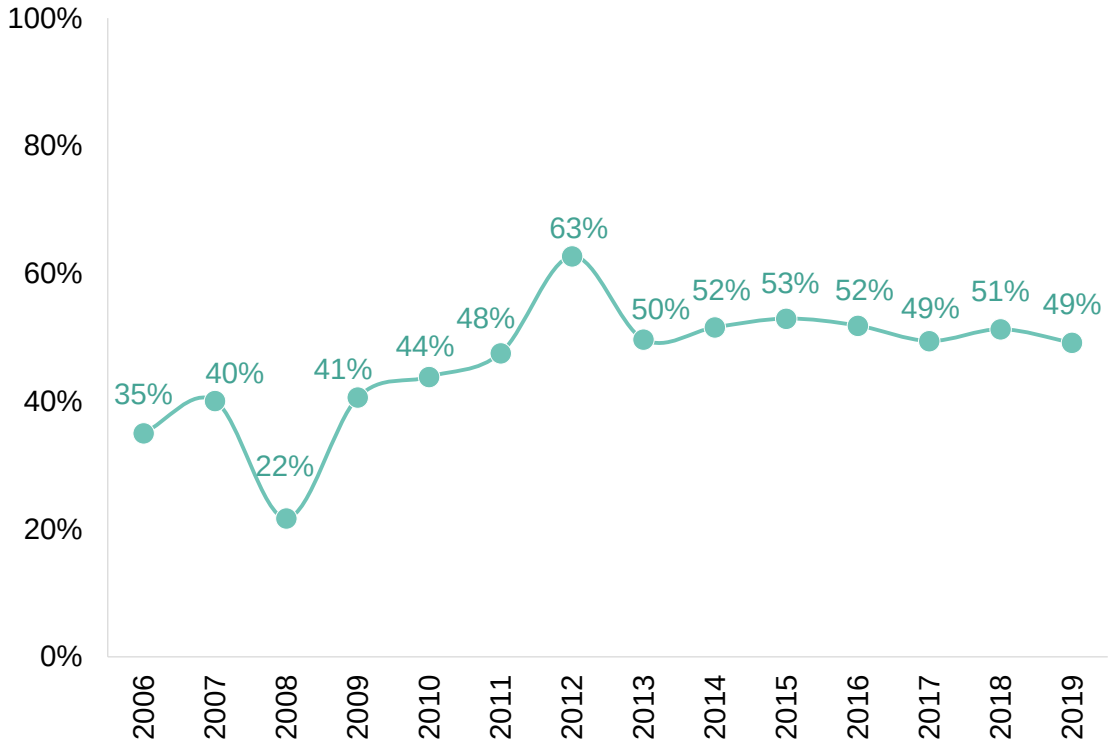


Source: OECD, NCDC

Georgia’s bed occupancy rate in hospitals stabilised at average 51% over the last 6 years

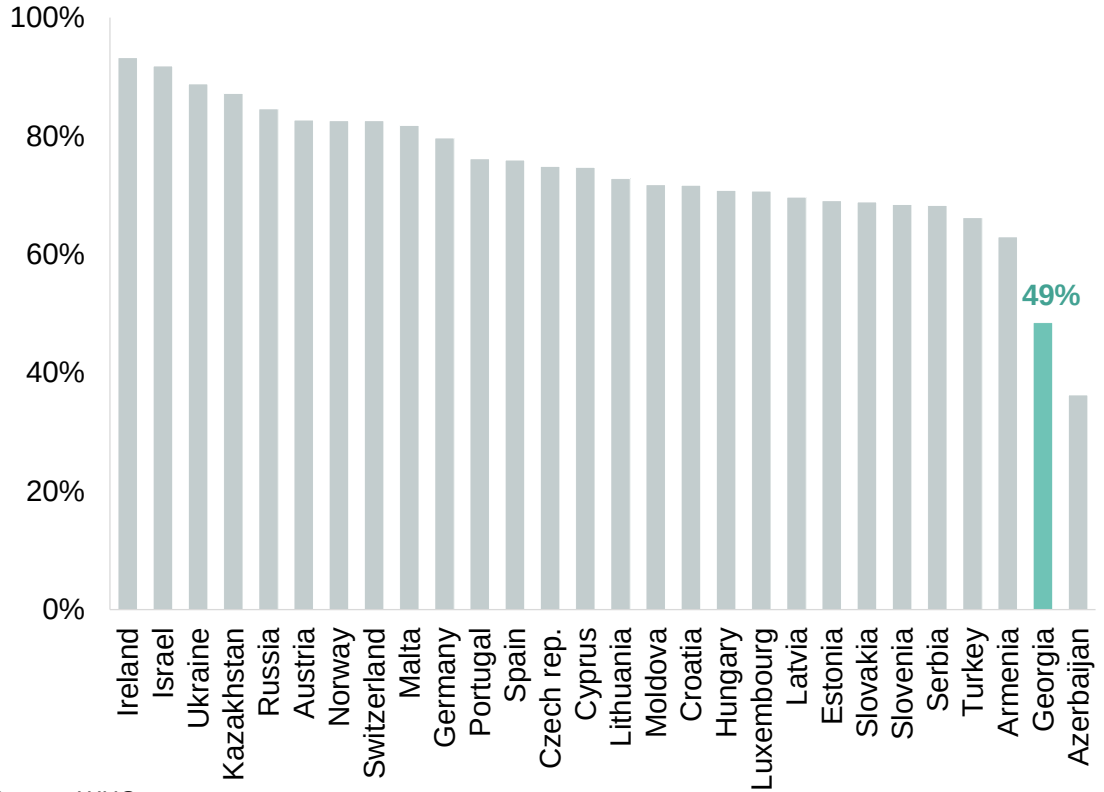
Georgia’s bed occupancy rate increased to 63% in 2012, supported by consolidation in the sector. However, with new hospitals built, bed occupancy rate dropped to 50% in 2013 and remained flat since. Occupancy rate in Georgia is far below EU (77%) and CIS average (83.4%) indicators.

Hospital bed occupancy rate in Georgia



Source: NCDC

…and in peer countries

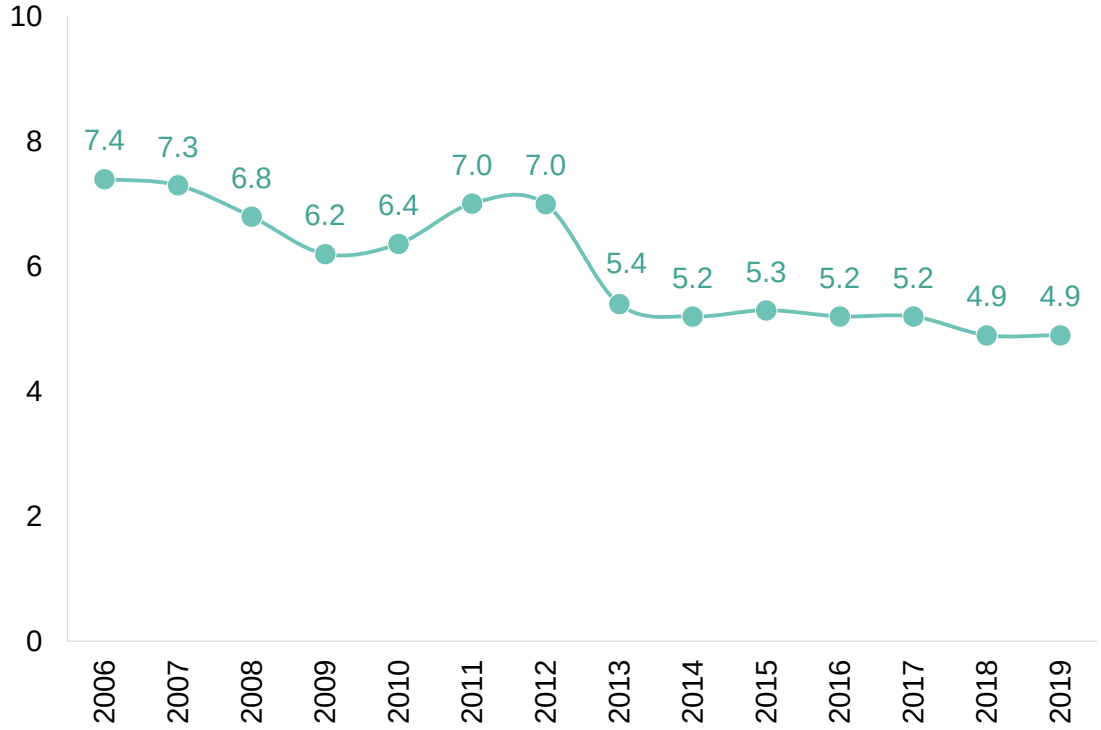


Source: WHO
Note: Latest data available

Average length of stay in hospitals stood at 5 days in Georgia in 2019, 1.5x-2x times lower than peer countries' level

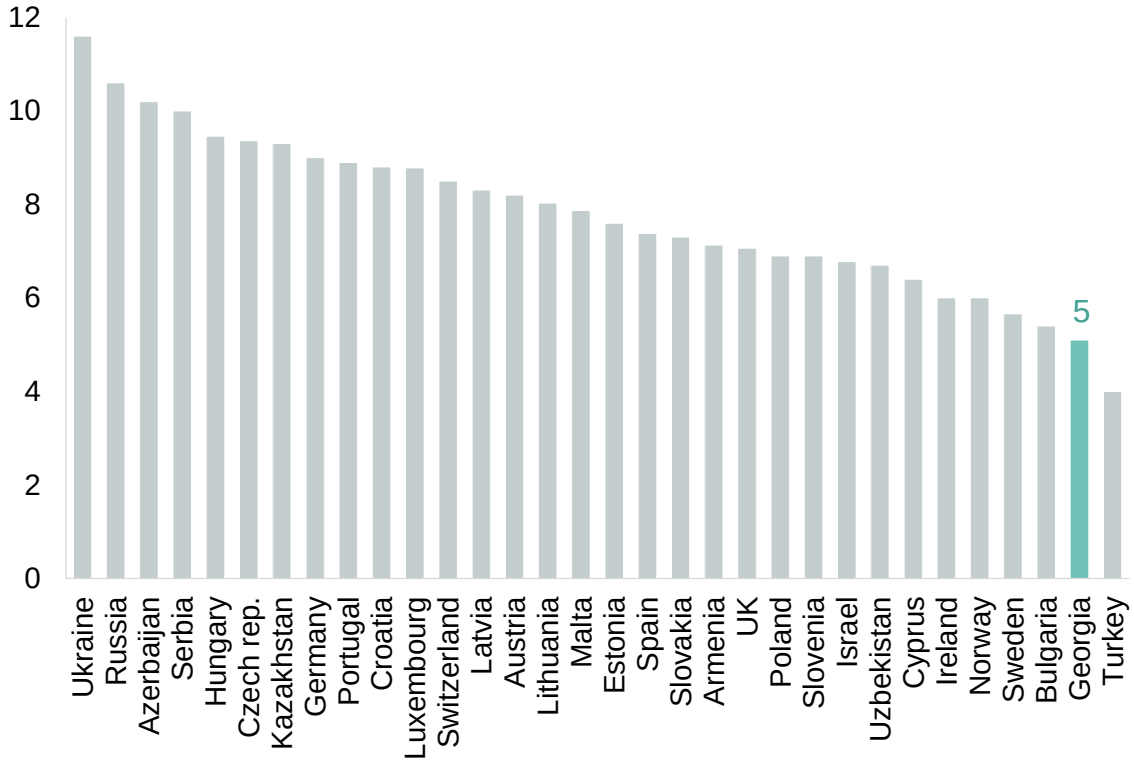
Generally, shorter length of stay in hospitals means higher efficiency. However, it is misleading in Georgia, as shorter length of stay could be explained by underdeveloped primary healthcare and hospitals' incentives to over-treat patients, changing outpatient cases into short-length inpatient cases, reducing average indicator.

Average length of stay in hospital, days



Source: NCDC

Average length of stay in hospital by country, days

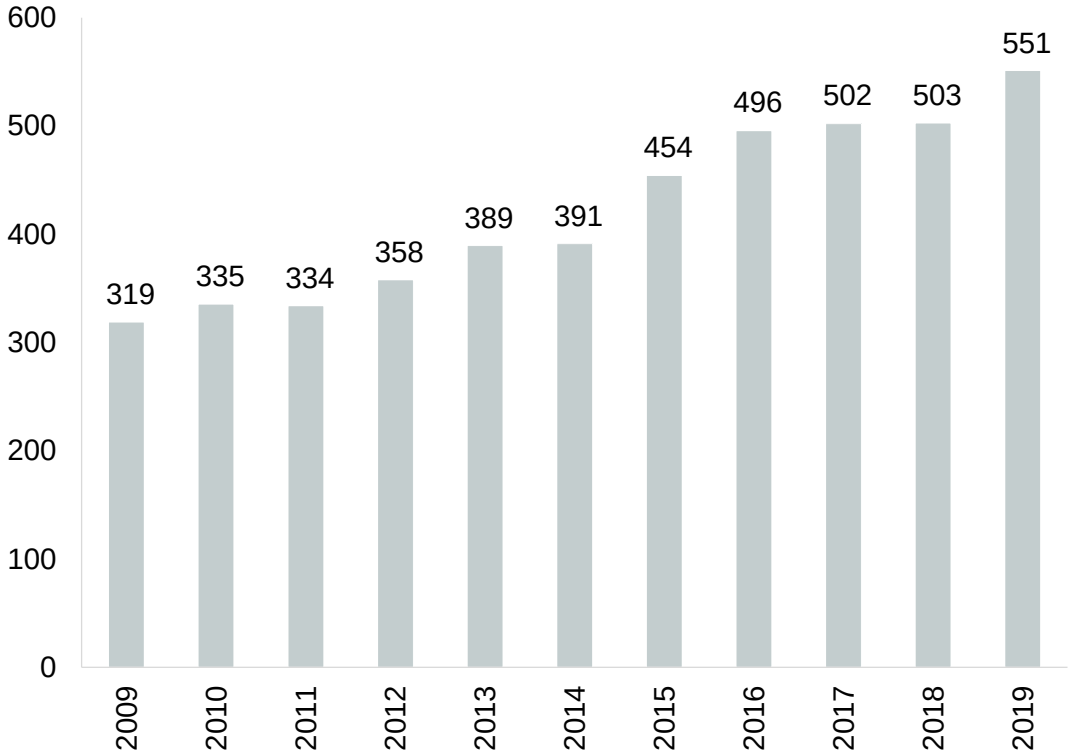


Source: WHO
Note: Latest data available

Number of hospitalizations has been increasing at a CAGR of 5.6% to 551k cases over 2009-19

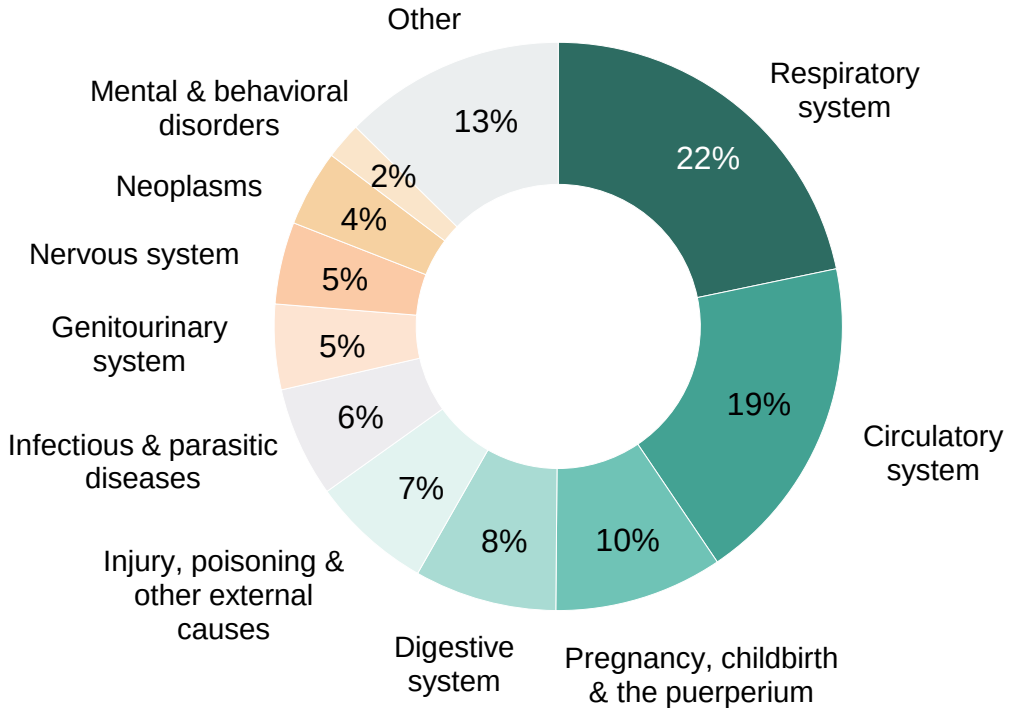
Georgia faces aging and shrinking population (see page 41), attributed to low birth rate, migration and rising life expectancy. Despite declining population, demand on healthcare services is growing, largely driven by rising prevalence of age-associated diseases and improved accessibility, supported by increased government funding.

Number of hospitalizations, ‘000



Source: NCDC

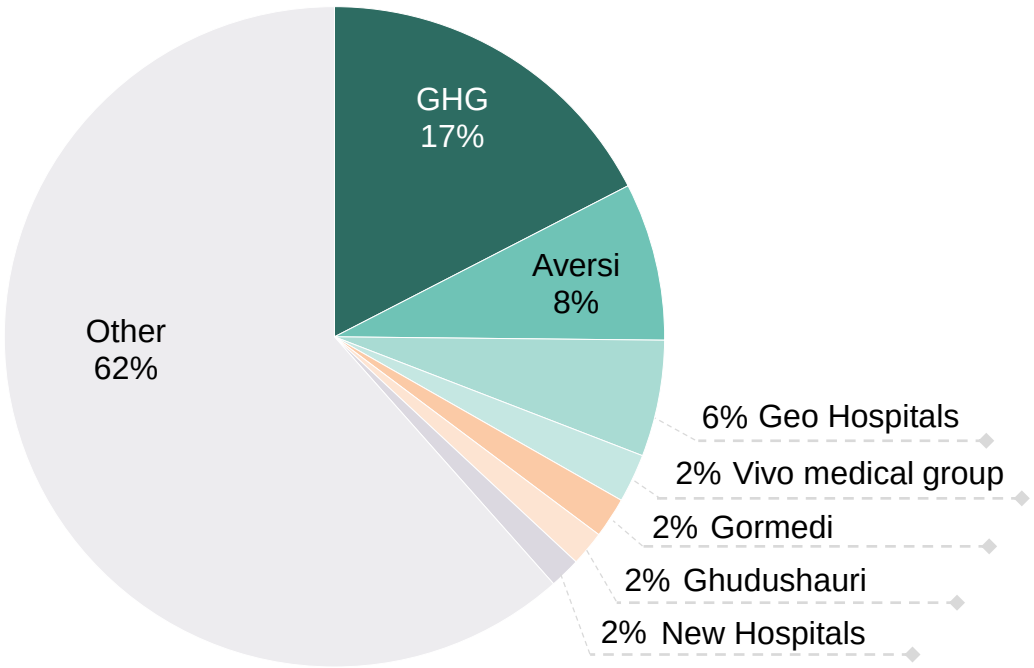
Number of hospitalizations by disease group, 2019



Source: NCDC

Scale is one of key success factors of operational and financial efficiency, though sector is still highly fragmented

Market shares by hospitalizations, 2019



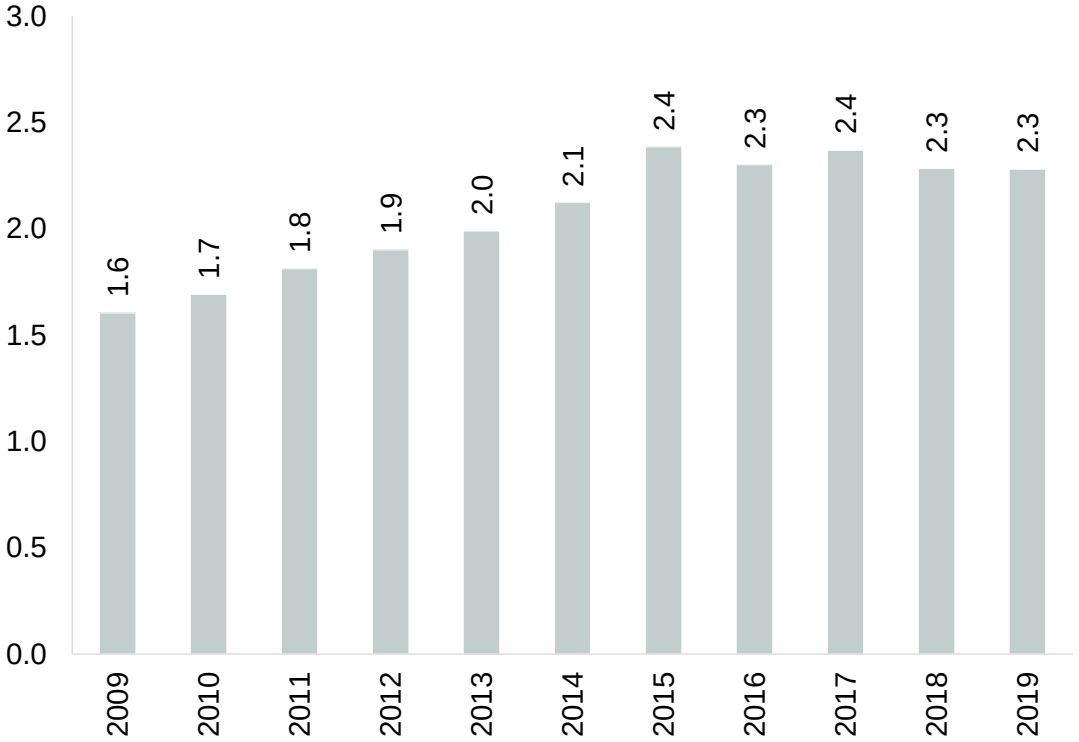
- GHG is the largest player in the Georgia's hospital sector, accounting for 17% of total hospitalizations in 2019.
- Aversi and Geo Hospitals are 2nd and 3rd largest healthcare providers, with 8% and 6% market shares in hospitalizations in 2019, respectively.
- Other healthcare holdings and independent hospitals account for 2% or less in total hospitalizations.
- Implementation of DGR model is expected to enhance consolidation and reduce market fragmentation, going forward.

Source: NCDC, Galt & Taggart
Note: Hospitalizations for hospital chains are consolidated

Supply of outpatient services expanded in Georgia over the last decade

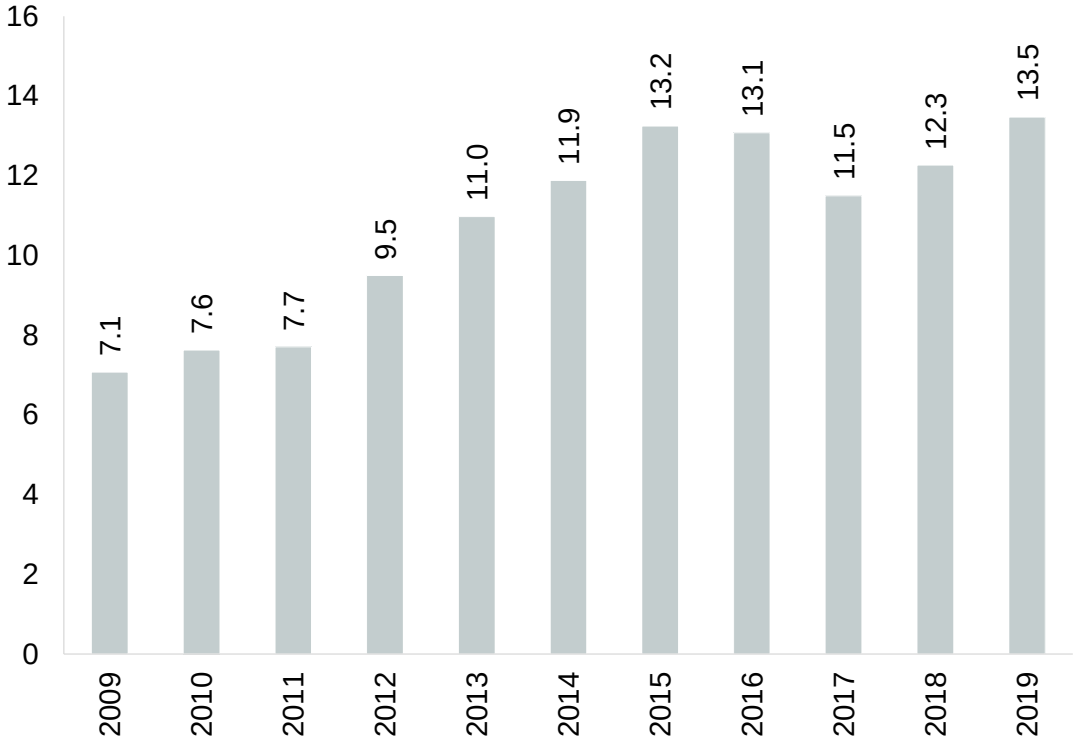
Primary healthcare is highly effective and efficient way to reduce pressure on hospitals, prevent/manage communicable and non-communicable diseases and reduce share of complicated/fatal cases. Preventive and primary care has been a priority area for government, with number of outpatient facilities expanding from 1.6k to 2.3k and number of visits doubling to 13.5mn over 2009-19.

Number of outpatient facilities in Georgia, ‘000



Source: NCDC
Note: Data includes rural doctor-entrepreneurs

Number of visits in outpatient facilities, mn

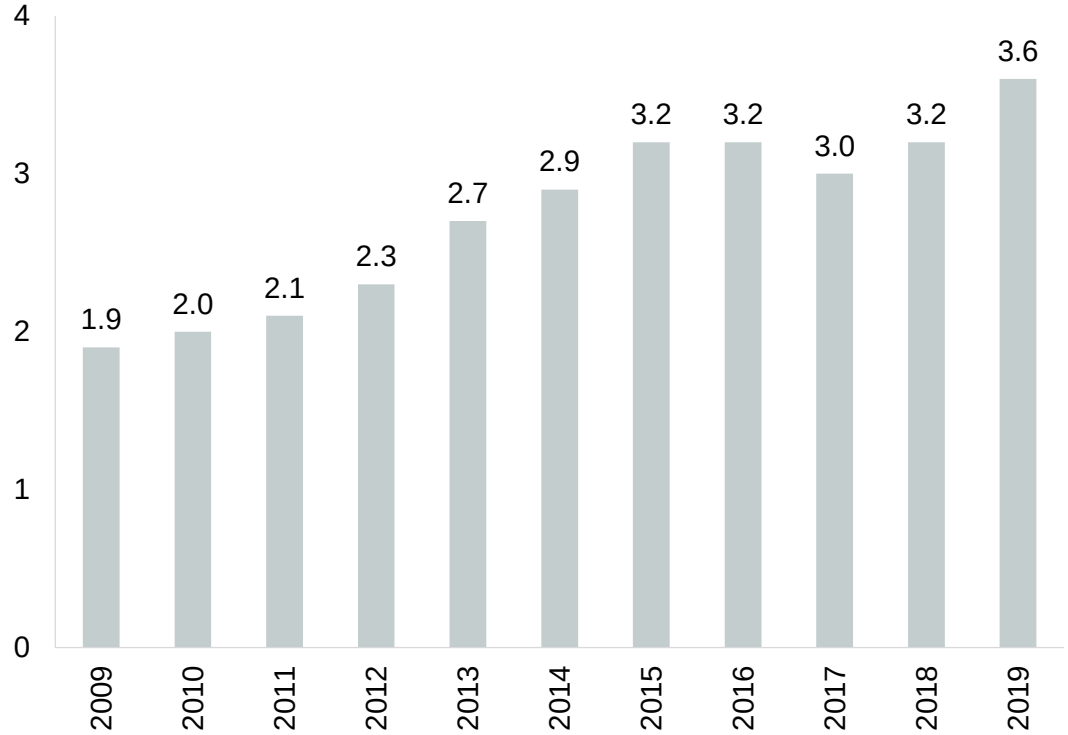


Source: NCDC

Despite the improvement, outpatient facility utilization is low in Georgia

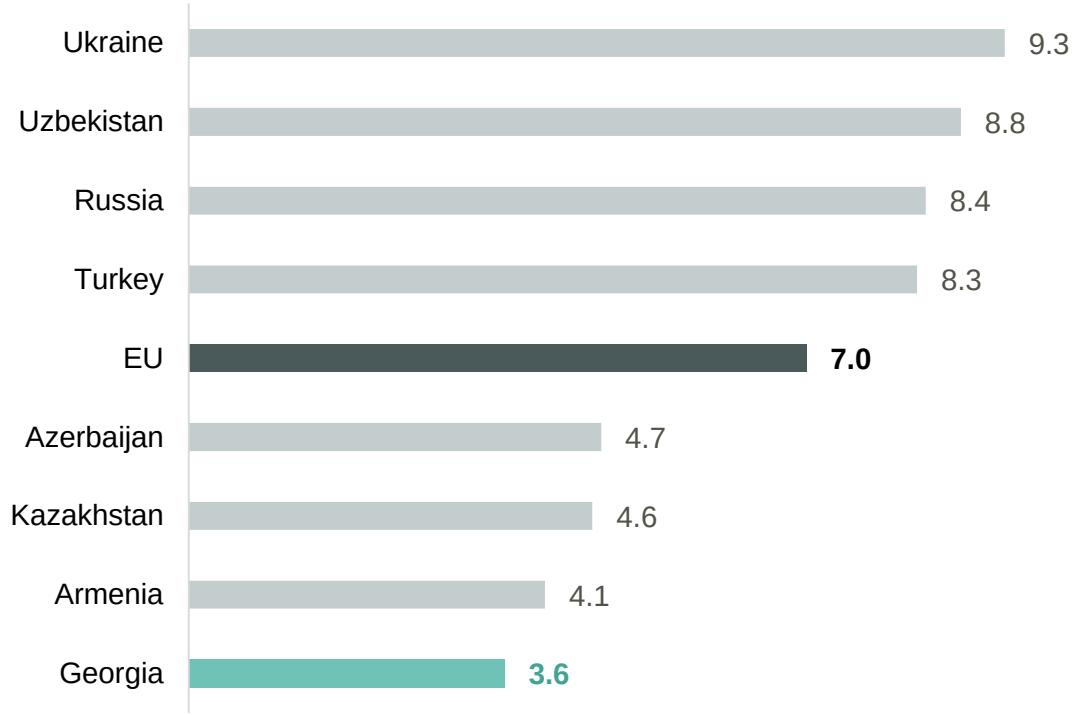
Georgia posted 3.6 contacts per person annually in 2019, significantly lower than EU and neighbouring countries' average indicator. Insufficiently developed primary care facilities is one of the reasons behind low use of outpatient services, which forces patients to head directly to hospitals. High level of self-treatment with over-the-counter drugs is another hurdle for primary service providers.

Outpatient contacts per person in Georgia



Source: NCDC
Note: Data excludes emergency care

Outpatient contacts per person by country



Source: WHO, NCDC
Note: Latest data available

Outpatient contacts per person is at adequate level in Tbilisi, but very low in other regions due to underdeveloped outpatient facilities

Outpatient contacts by region, 2019

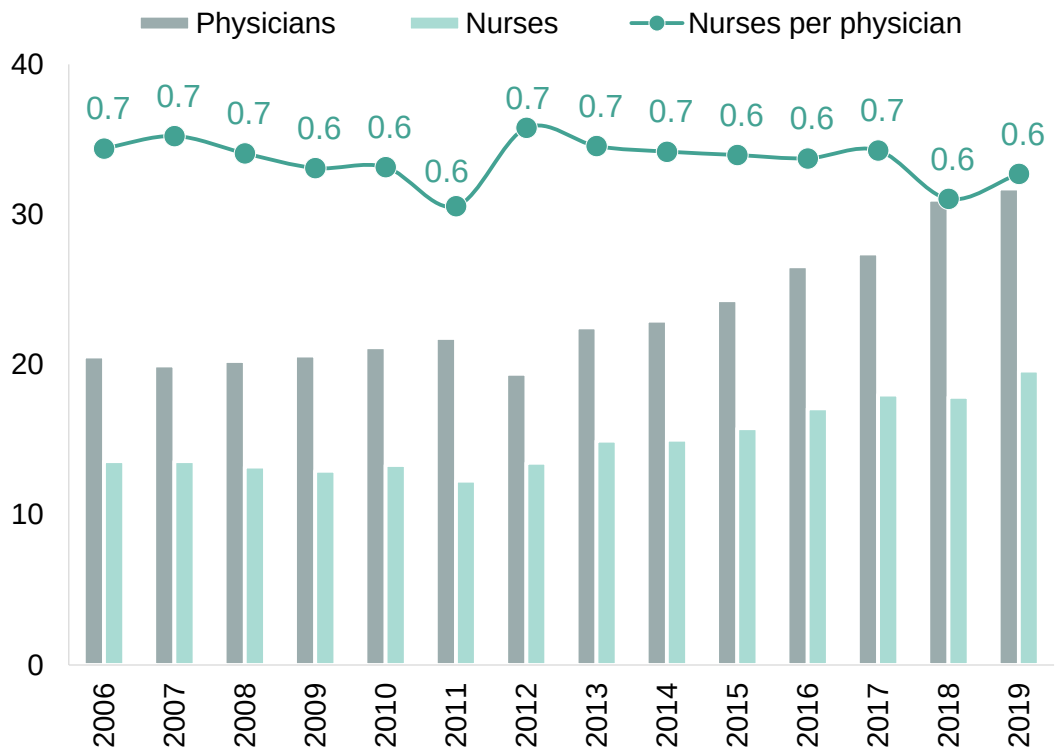
Region	Population '000 people	Outpatient contacts '000	Outpatient contacts per person
Tbilisi	1,185	8,807	7.5
Imereti	487	1,216	2.5
Kvemo Kartli	434	487	1.1
Adjara	352	760	2.2
Samegrelo & Zemo Svaneti	311	505	1.6
Kakheti	310	492	1.6
Shida Kartli	255	677	2.6
Samtskhe-Javakheti	152	173	1.1
Guria	108	207	1.9
Mtskheta-Mtianeti	93	117	1.3
Racha-Lechkhumi & Kvemo Svaneti	29	30	1.0

Source: NCDC

There is inadequate distribution of medical staff in Georgia, with oversupply of physicians and undersupply of nurses

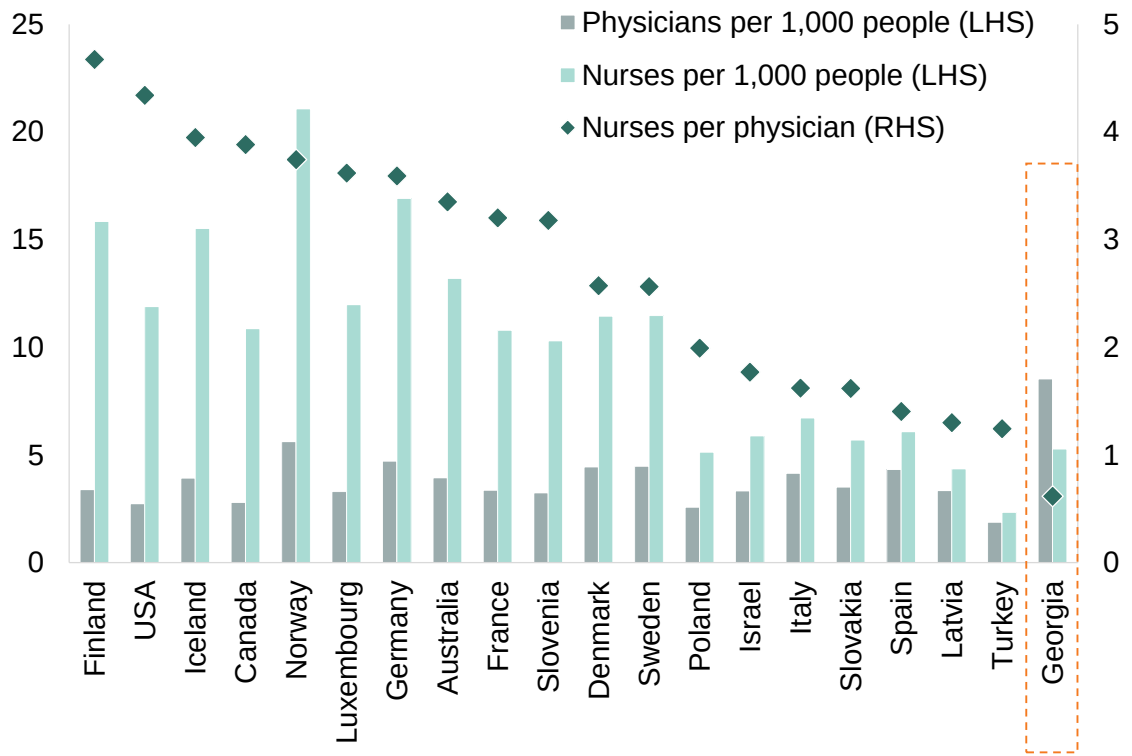
Georgia has one of the highest and growing number of physicians among peers, reaching 8.5 per 1,000 people in 2019, twice as high as OECD average. Meanwhile, there is lack of nurses, with only 0.6 nurses per physician in Georgia vs 2-5 nurses per physician in European countries. The trend is expected to continue as Georgian education system keeps admitting excessive number of students on one-cycle and residency medical programs, while admission of students on nursing programs in VET institutions is dropping (see page 42).

Number of medical staff in Georgia, '000



Source: NCDC, GeoStat

Number of medical staff by country

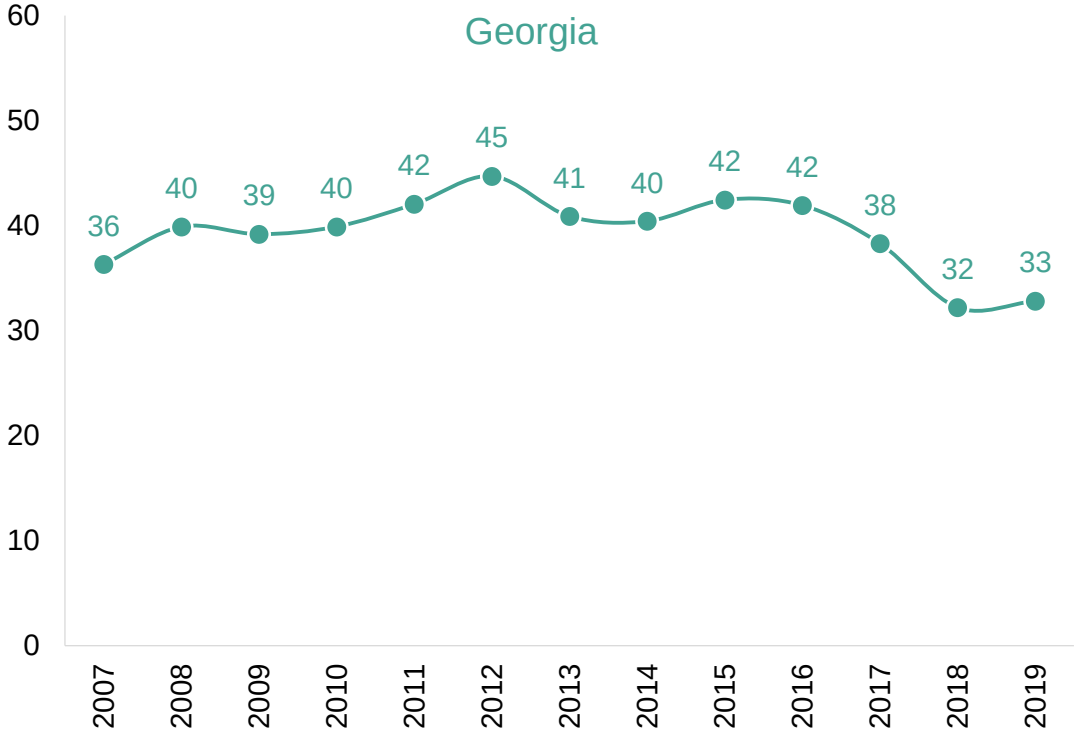


Source: OECD, NCDC
Note: Latest data available

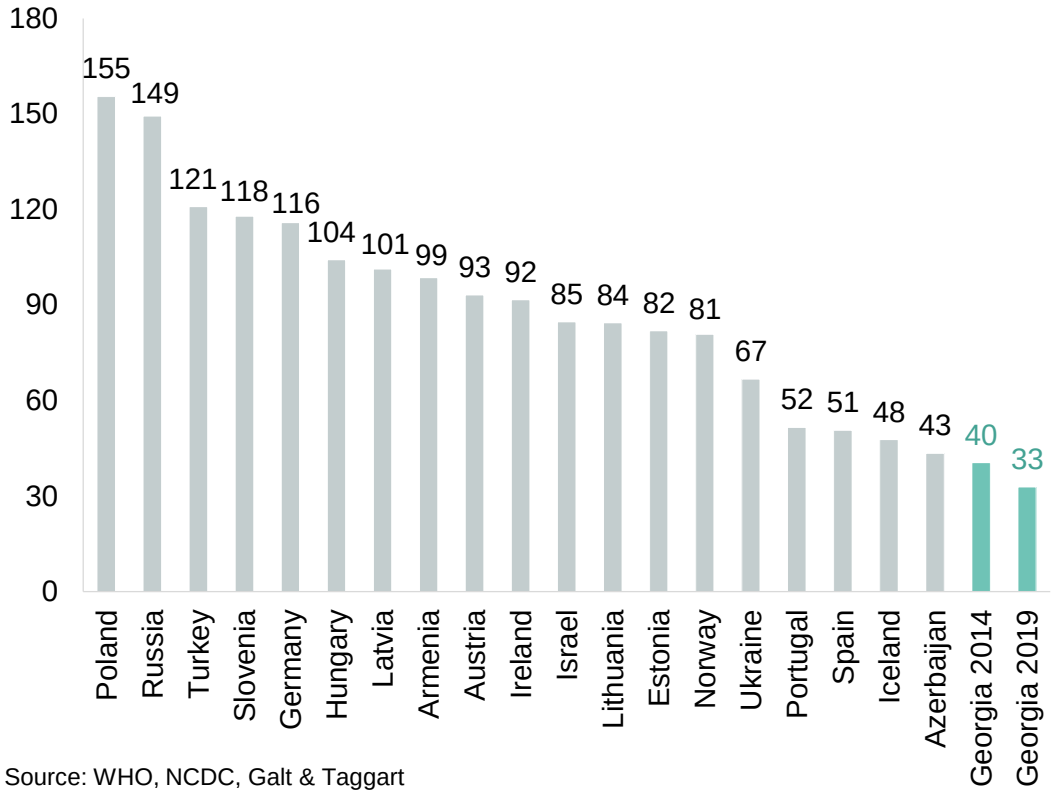
Georgian doctors' productivity is far below EU and neighbouring countries' indicators

Insufficient number of nurses makes Georgian doctors less productive, forcing them to complement nursing duties along with their key responsibilities. Physicians, working in inpatient facilities, serve on average 33 patients per year in Georgia (2019), far below EU and neighbouring countries' indicators, such as Turkey with 121 patients served per physician annually, 149 in Russia, 99 in Armenia, etc.

Number of patients served by one physician annually in Georgia and in peer countries



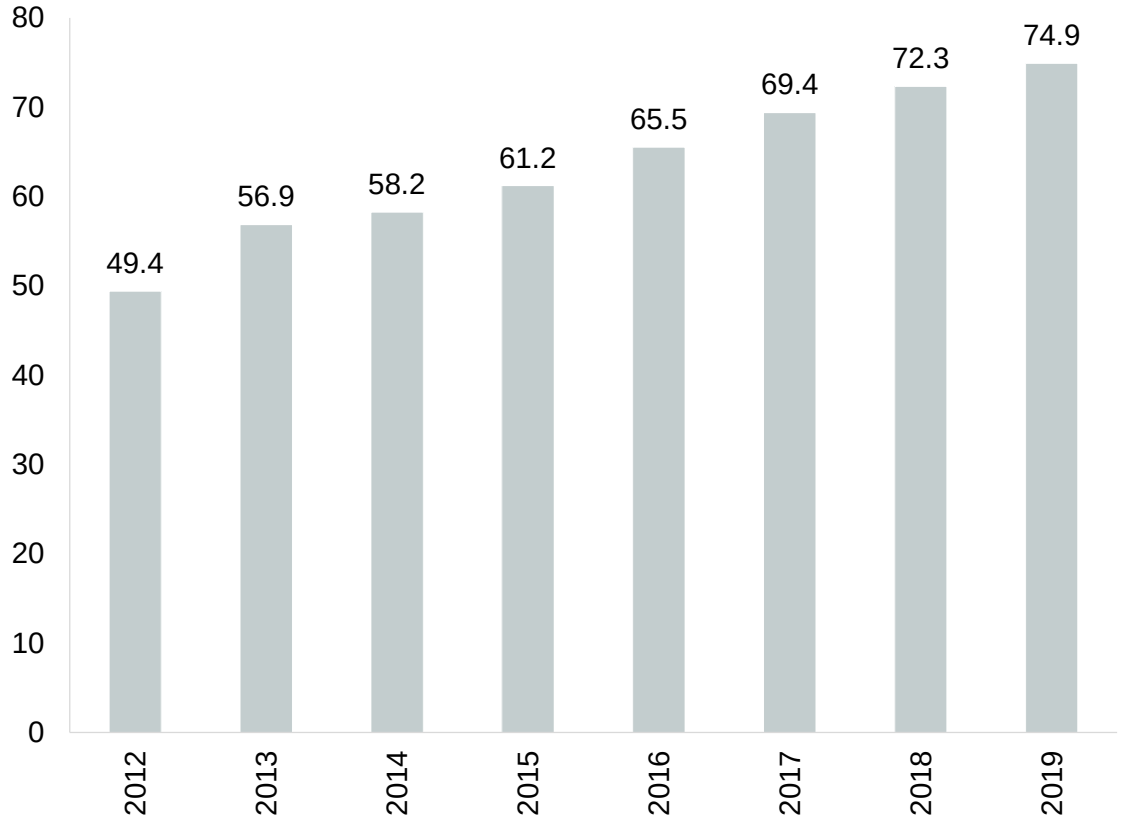
Source: NCDC, Galt & Taggart
Calculation: number of hospitalizations / number of physicians working in inpatient facilities



Source: WHO, NCDC, Galt & Taggart
Note: reference year for selected countries - 2014

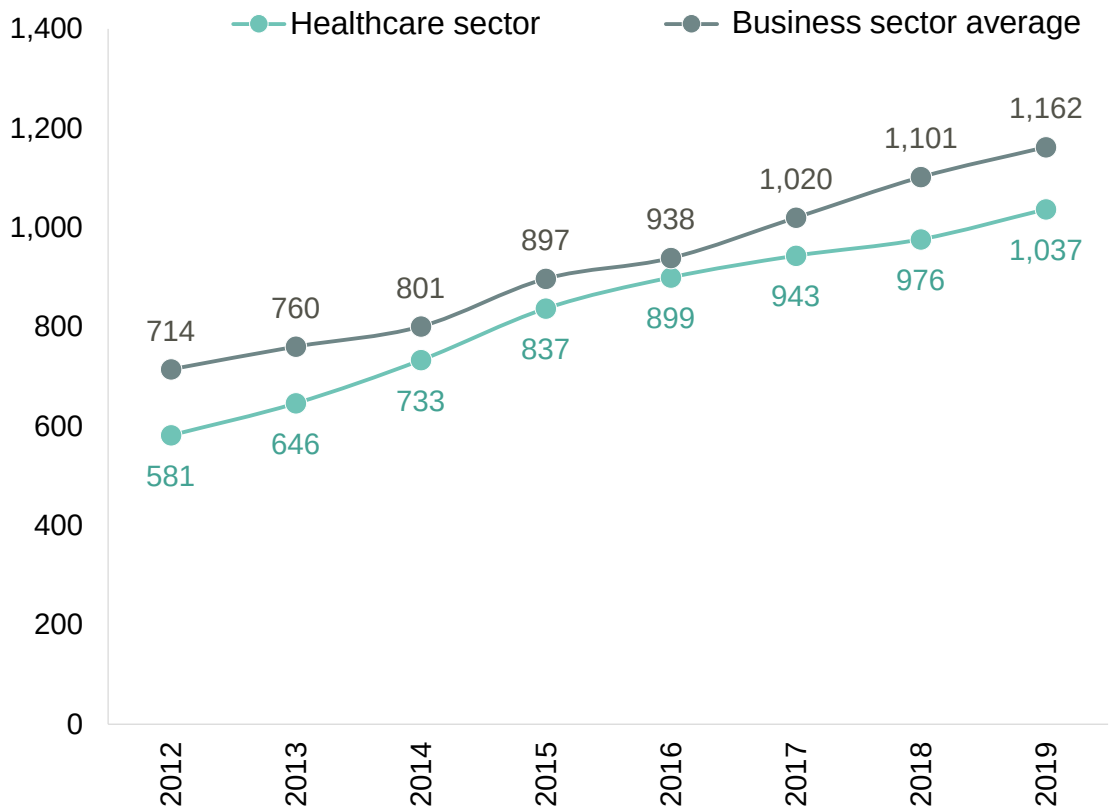
Average monthly salary of employees in healthcare sector was over GEL 1,000 in 2019, below national average

Number of employees in private healthcare sector, '000



Source: GeoStat

Average monthly salary: private healthcare sector vs business sector average, GEL



Source: GeoStat

1. Healthcare system and regulatory changes

2. Healthcare expenditures

3. Healthcare infrastructure and human resources

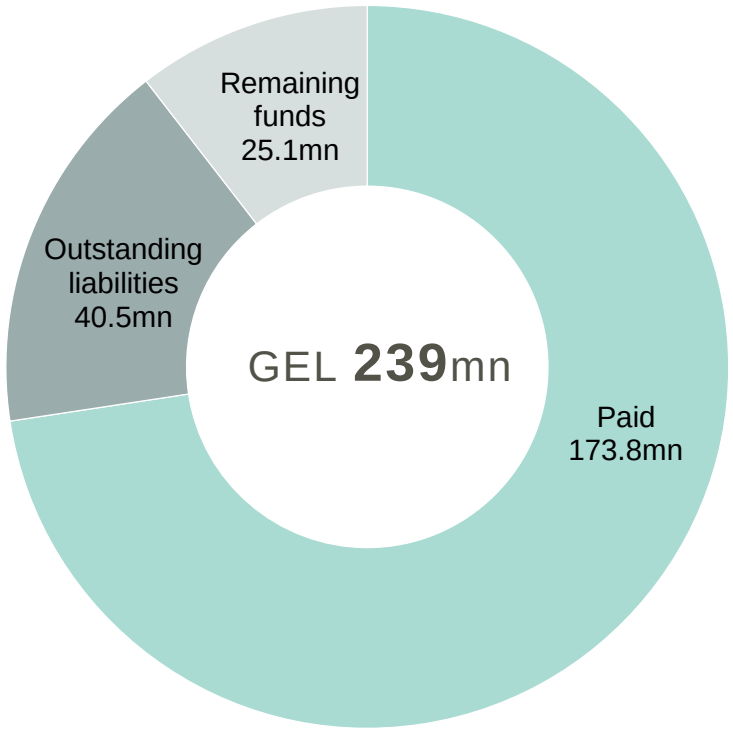
4. COVID-19

5. Annexes

COVID-19 budget is set at GEL 400mn in government's 2021 final budget draft, up from GEL 239mn in 2020

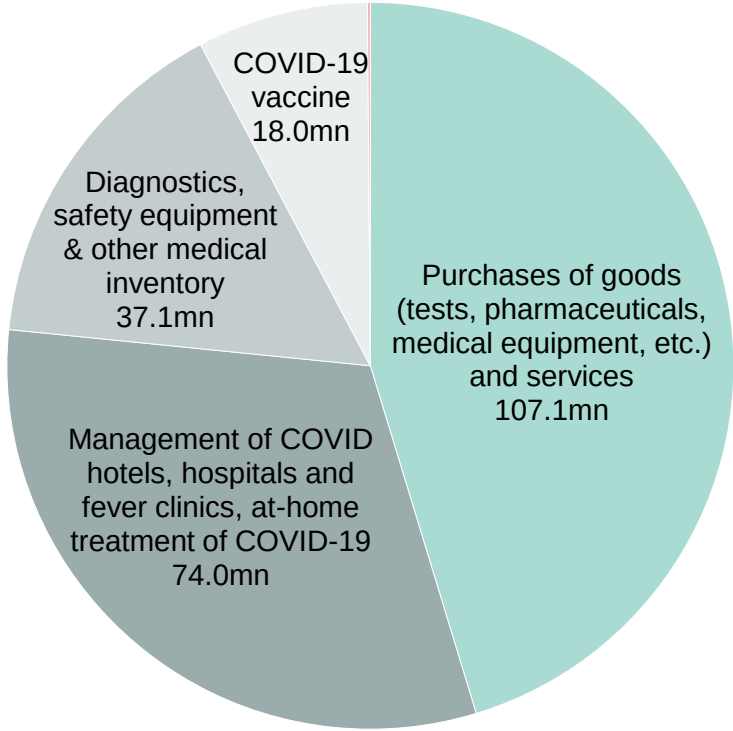
Government allocated GEL 239mn for COVID-19 related treatment in 2020 budget, of which 90% is used as of December 9.

2020 COVID budget status, GEL



Source: Treasury Service, as of 9 December 2020

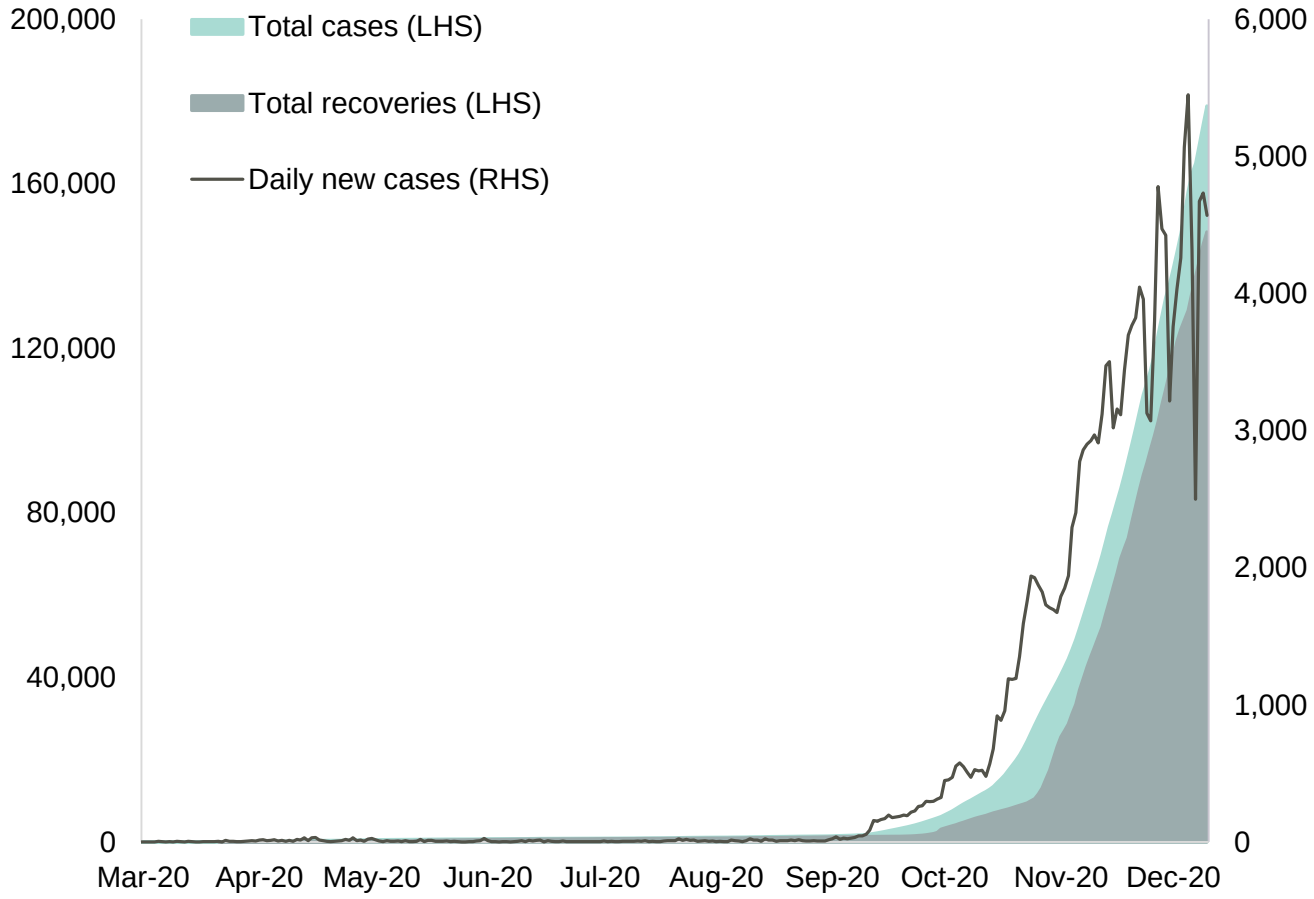
2020 COVID budget breakdown by function, GEL



Source: Government decree N674

Due to rising COVID-19 cases government reintroduced restrictions

COVID-19 statistics in Georgia



Source: NCDC, as of 10 December 2020

2nd round of restrictions to limit COVID spread in Georgia from 28-Nov-2020 to 31-Jan-2021

Nationwide restrictions

- Mobility of people is restricted from 9pm to 5am
- Regular inter-city public transportation is banned (excl. light vehicles and taxis)
- Services of restaurants, all types of sports, arts, cultural and educational events will be provided by only remote/online channels.

Additional measures in large cities/ski resorts*:

- Municipal transport suspended
- Shops (except for groceries, animal food stores, pharmacies, household chemicals and hygiene shops, printed media kiosks) will operate only by distance service delivery
- Educational institutions (except for medical programs) will be entirely transforming to distance learning
- Open and closed fairs and markets (excl. fruit and vegetable markets) will be suspended

Lifting of restrictions

- From December 24 to January 2, shopping malls and both open and closed marketplaces will reopen, and municipal and intercity public transportation will resume. From January 3, the restrictions are again reimposed, and from January 3 to January 15 will be declared as public holidays to reduce mobility
- Starting on January 16, most measures, except for the curfew and restrictions on intercity transport, restaurants, gyms and swimming pools, will be eased on workdays and continue to be effective only on weekends. The remaining restrictions are set to end on February 1
- Throughout the 2-months period, no restrictions will apply to the work of banking and finance institutions, beauty salons, all types of industries and construction activities, taxi services, or private transportation

**Note: Tbilisi, Batumi, Kutaisi, Rustavi, Gori, Poti, Zugdidi, Telavi, Bakuriani, Guraudi, Goderdzi and Mestia*

Total confirmed cases of COVID-19 per 100,000 people is high in Georgia, but fatality rate is low

COVID-19 statistics in Georgia

178,953 Confirmed cases	**148,332** Recovered	**1,657** Deaths
1,019 Under quarantine	**6,918** Under hospital supervision	**3,524** At COVID hotels

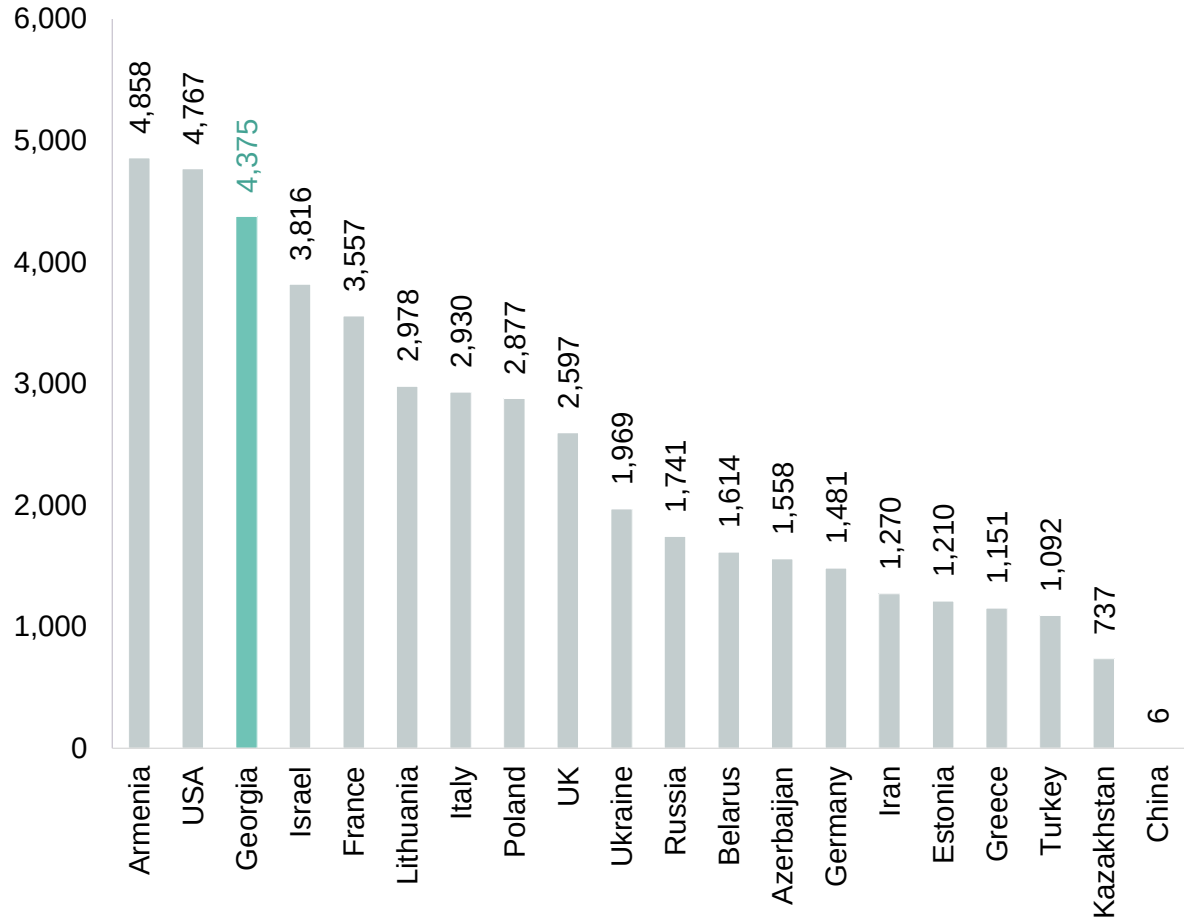
Source: www.stopcov.ge, as of 10 December 2020

Georgia's position globally

#44 by confirmed cases	**#13** by number of confirmed cases per 100,000	**#36** by number of tests conducted per 100,000

Source: Worldometer , as of 9 December 2020

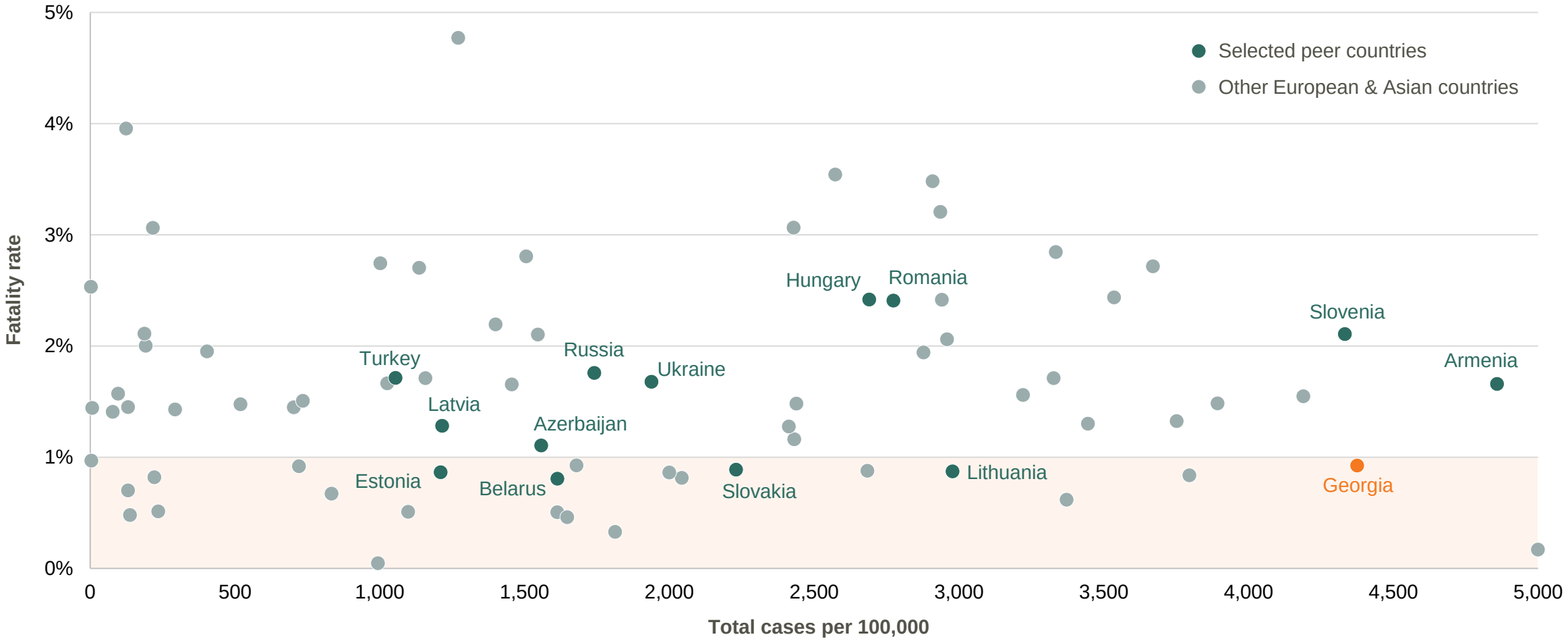
COVID-19 cases per 100,000 people



Source: Worldometer, as of 9 December 2020

Fatality remains less than 1% in Georgia, lower than in many developed and emerging countries in Eurasia

COVID-19 cases and fatality rate in European and Asian countries

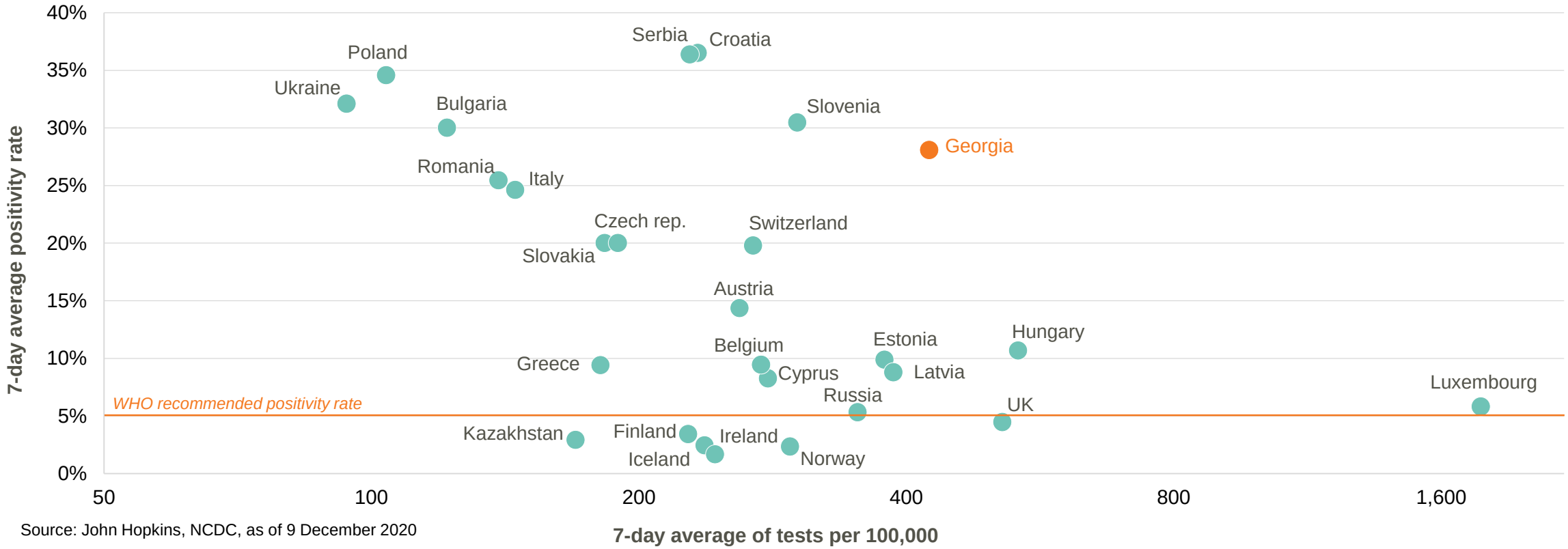


Source: Worldometer, as of 9 December 2020

Testing expanded significantly since spring, however it seems to be insufficient to capture all the infected

Share of positive tests for COVID-19 in all tests conducted is the most reliable way to determine if a testing is enough. High rate of positive tests indicates that many infections are probably being missed. Georgia has high number of daily tests per 100,000 population, however positivity rate reached average 30% in November, indicating that true number of cases is higher than the official count. Notably, number of daily tests exceeded 20,000 by 9 December 2020, expected to reduce positivity rates going forward.

Daily tests per 100,000 population and percentage of positive tests

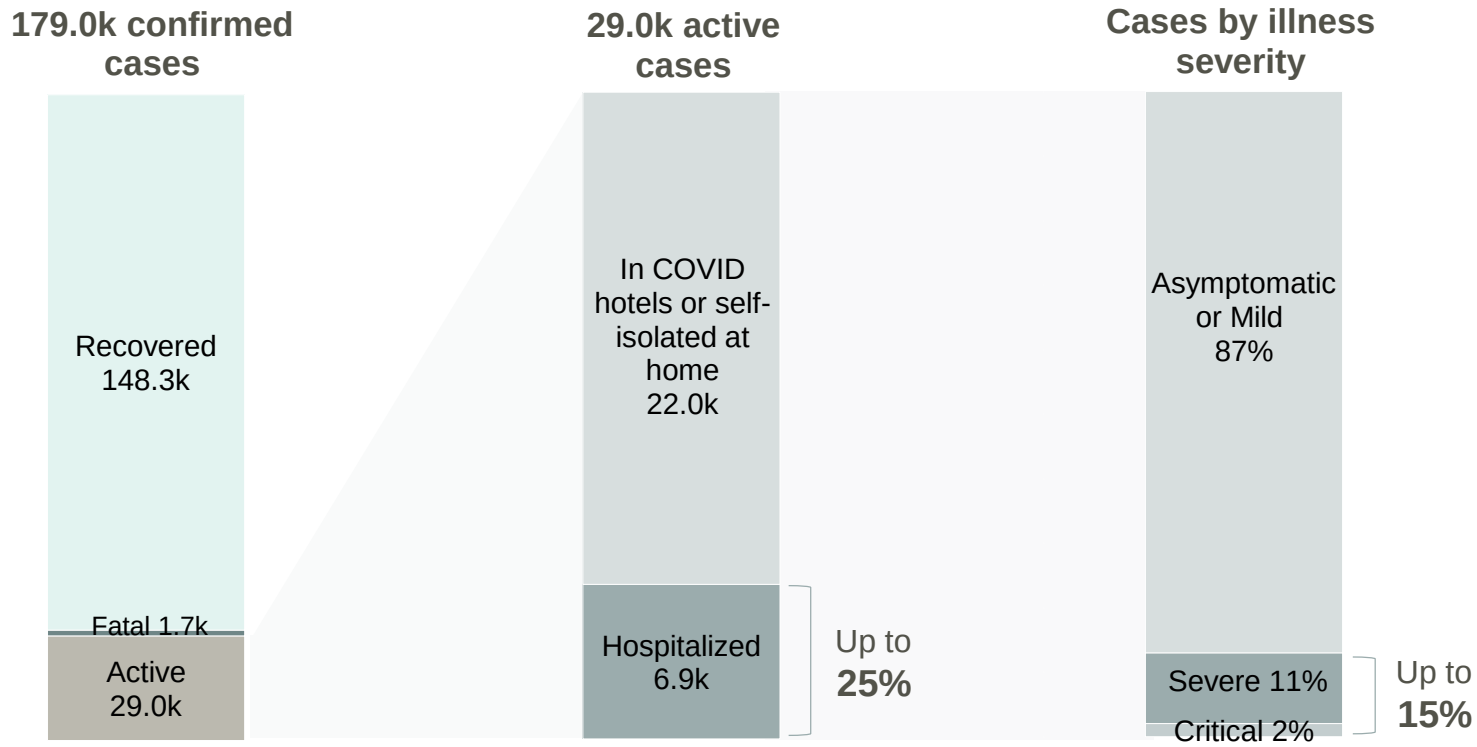


Source: John Hopkins, NCDC, as of 9 December 2020

There is a room to reduce hospitalization rate for COVID-19 patients, relaxing burden on hospital sector

29.0k out of 179.0k confirmed COVID-19 cases are active and up to 25% of them (6.9k) are hospitalize as of 10 December 2020. Hospitalization rate in Georgia is much higher than 5-10% average indicator for European countries in November. According to NCDC, 87% of active COVID-19 cases are asymptomatic or mild, therefore with no necessity of hospitalization, 11% are severe and 2% are critical. Based on public announcements, the government targets to reduce hospitalization rate to c.15% to ease pressure on hospital sector.

COVID-19 cases in Georgia, 10 December 2020



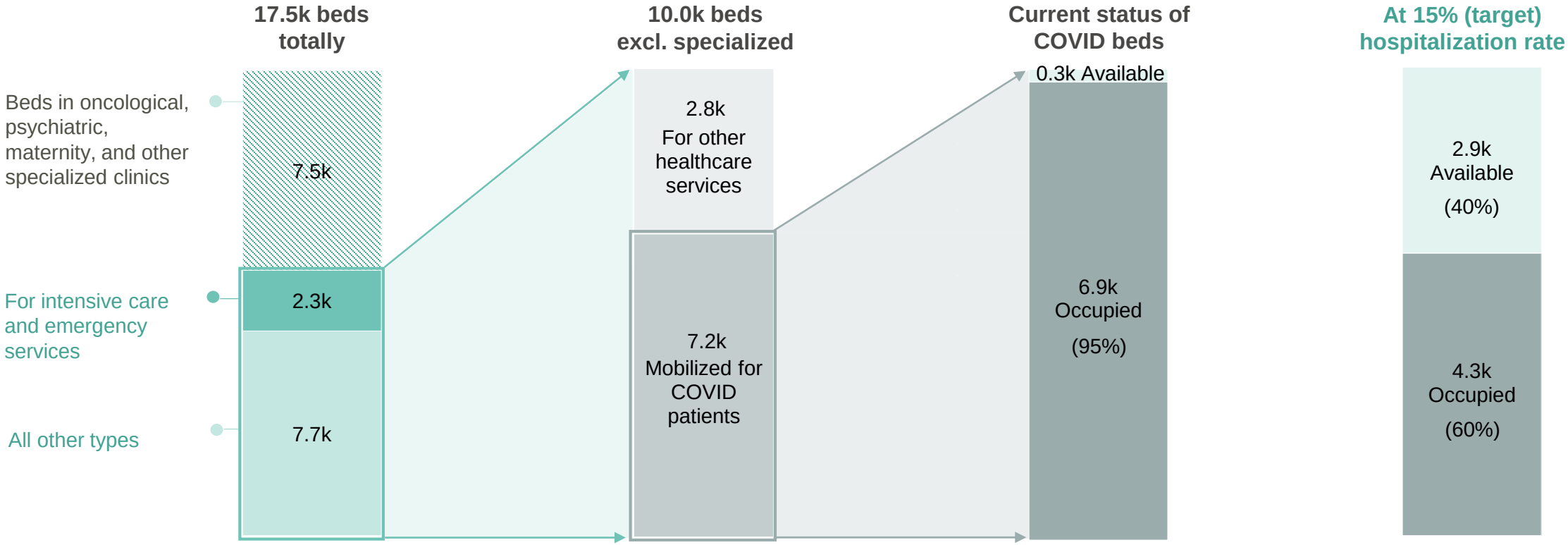
The government targets to reduce hospitalization rate to **15%** from current **25%**

Source: NCDC

Reduction of hospitalization rate will increase availability of hospital beds, but add pressure on primary healthcare

More than 7.2k hospital beds are prepared for COVID-19 patients currently. At 25% hospitalization rate pressure on hospital sector is high, with 95% of COVID beds being occupied. If hospitalization rate reduces to 15%, 2.9k COVID beds will become available. In this case, burden will increase on primary healthcare, responsible for accurate identification of critical cases, monitoring and treatment of patients in hotels and homes.

Available beds in Georgia, 10 December 2020



Source: NCDC, MoH, Public announcements of Inter-Agency Coordination Council

COVID-19 vaccine - the beginning of the end of the pandemic

Vaccine development

Pfizer/BioNTech and Moderna announced their COVID vaccine candidates posted more than 90% efficacy in phase 3 trials in November 2020, much higher than 60-70% expected by researchers, making them feasible to generate herd immunity.

Notably, AstraZeneca/Oxford vaccine candidate showed 70% efficacy in trials and optimistic news about vaccine development is expected from J&J in the coming weeks. The trials are not yet complete, but final outcome is expected to be very positive.

Considering forthcoming authorization process, vaccines will be available for only narrow targeted group by the end of 2020, reaching full manufacturing capacity in 2021.

Vaccine distribution

Distribution will be a challenge, as the world has never taken vaccination on such scale before. The Pfizer-BioNTech vaccine needs to be kept ultra-cold, making global distribution even more difficult, however Moderna, AstraZeneca/Oxford and J&J vaccine candidates have more feasible storage requirements.

The COVAX Facility is designed to guarantee fair and rapid access to COVID-19 vaccines for every country in the world, including Georgia. Georgia has already requested first lot of vaccine, worth of US$ 4mn, likely to be available in spring 2021. C. US$ 17mn worth of vaccination is needed to cover 20% of Georgia's population.

Selected vaccine candidates	Pfizer/BioNTech	Moderna	AstraZeneca/Oxford	Johnson & Johnson
Type	MRNA vaccine	MRNA vaccine	Viral vector vaccine	Viral vector vaccine
Efficacy by preliminary trials	95%	94%	70%	Yet unknown
Doses needed per person	2	2	1 or 1.5	1
Excepted price per dose	US$ 20	US$ 25-37	US$ 3-4	US$ 10
Storage temperature	-70^{o}C	-20^{o}C	2-8^{o}C	2-8^{o}C
2021 production capacity	1.3bn doses	1.0bn doses	2.9bn doses	1.1bn doses
EU approval expected	December 29	January 12	Mid-January	Yet unknown

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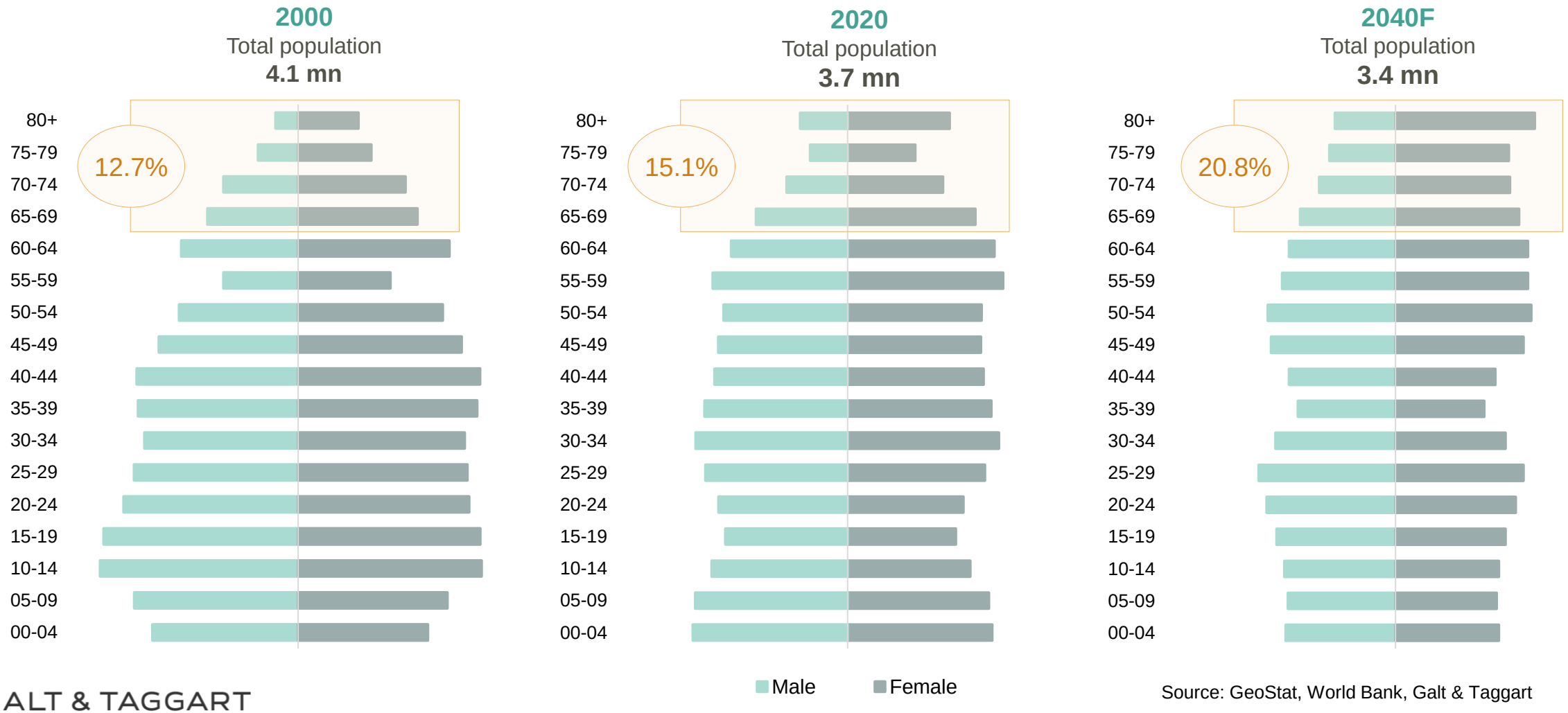
3. Healthcare infrastructure and human resources

4. COVID-19

5. Annexes

Share of 65+ age group is estimated to reach 20.8% of Georgia's total population by 2040, up from 15.1% share in 2020

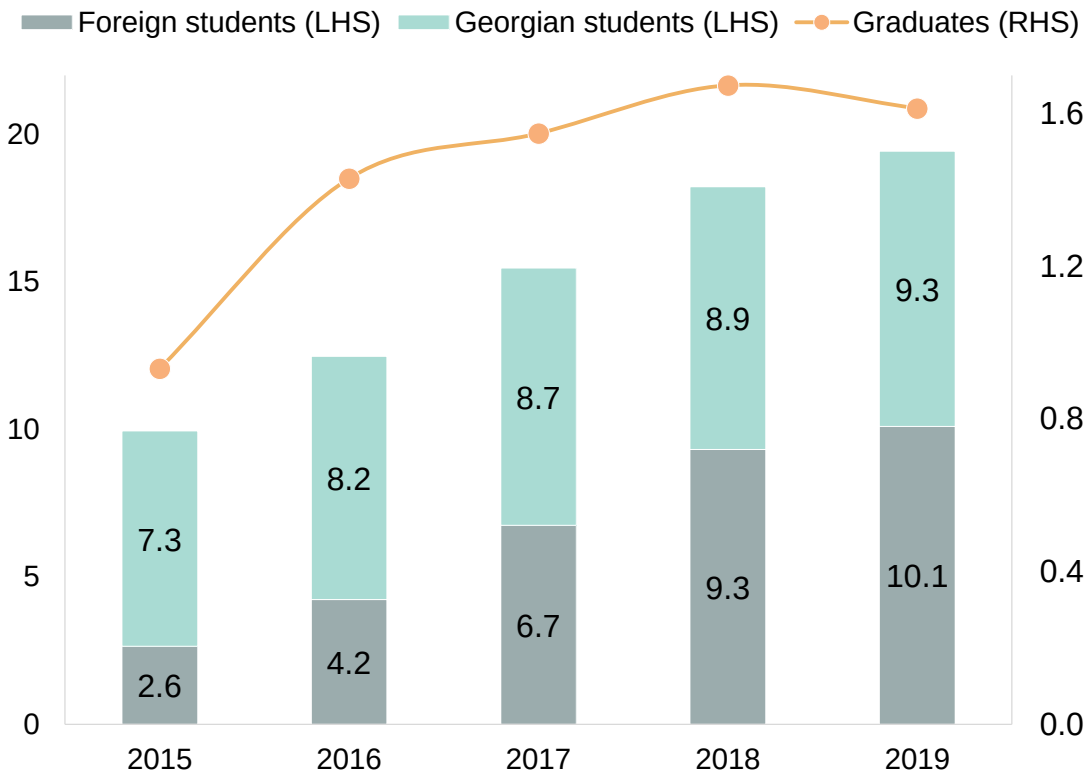
Population age pyramid in Georgia



Source: GeoStat, World Bank, Galt & Taggart

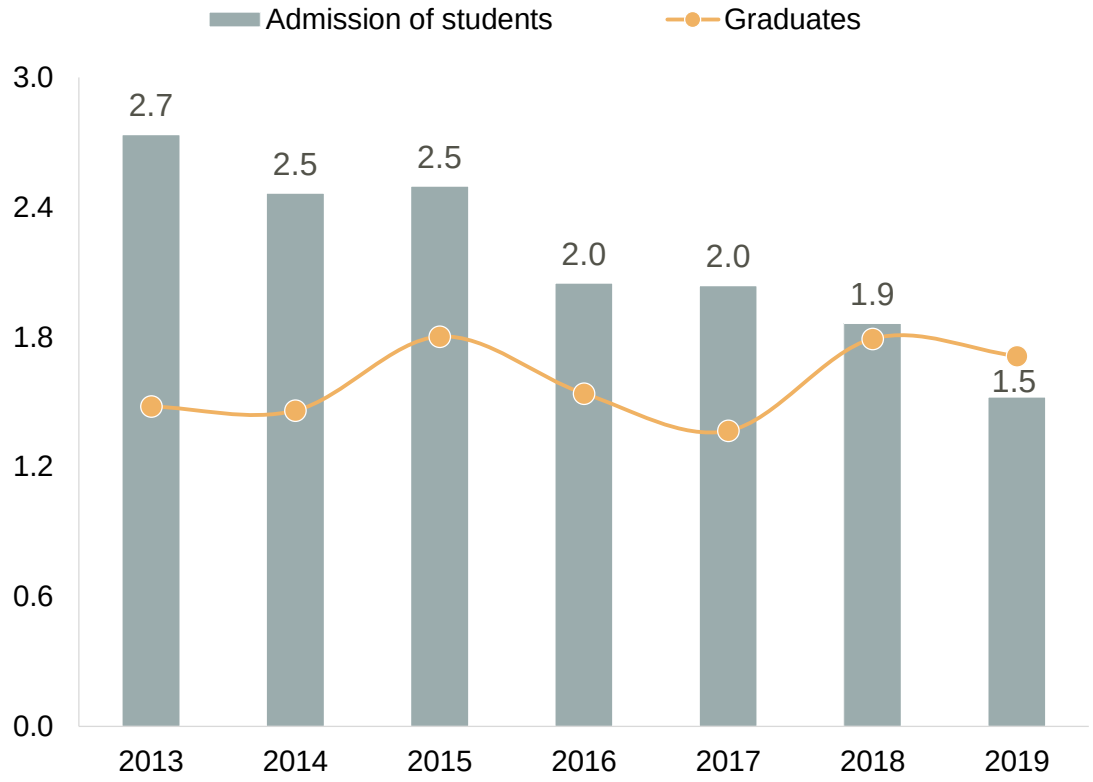
Number of students enrolled in one-cycle and residency medical programs is rising, while admission of students in VET health programmes declines gradually

Medical students on one-cycle and residency programmes in Georgia, '000



Source: GeoStat

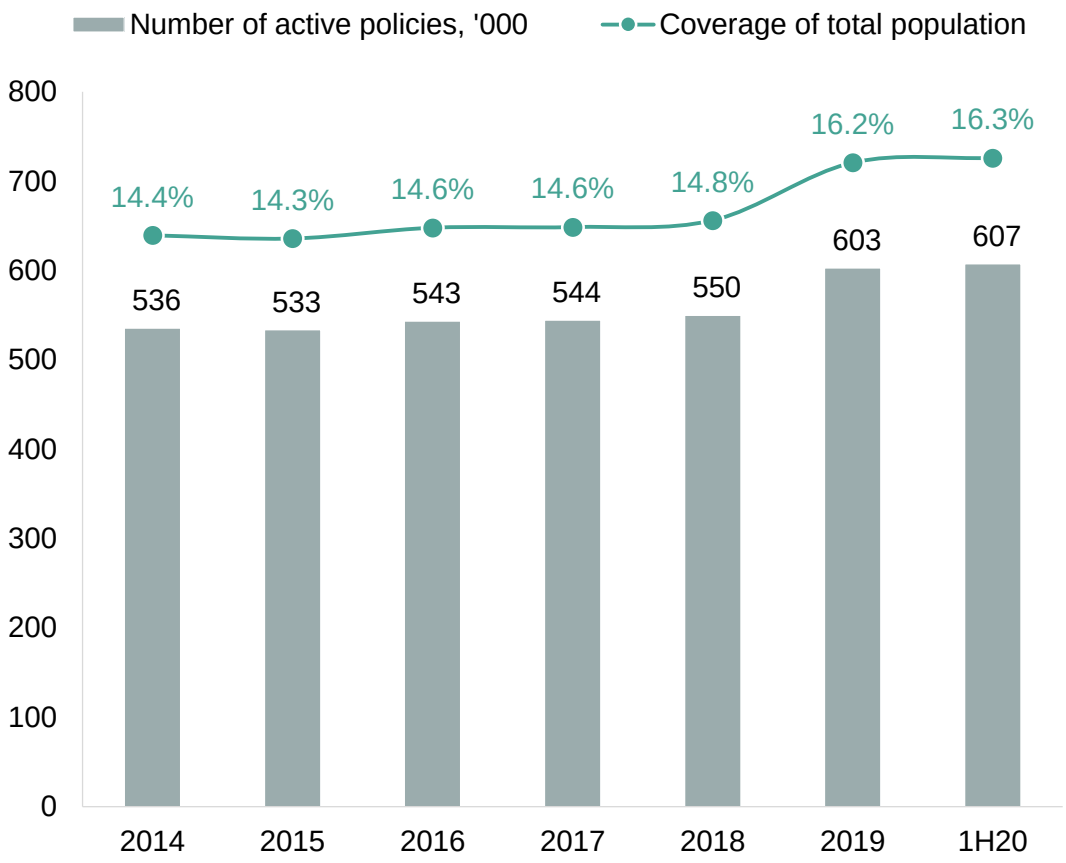
Medical students in VET educational institutions* in Georgia, '000



Source: GeoStat
*Note: VET heath programmes include both nursing and pharmacy specialty, data on nursing programmes is not available.

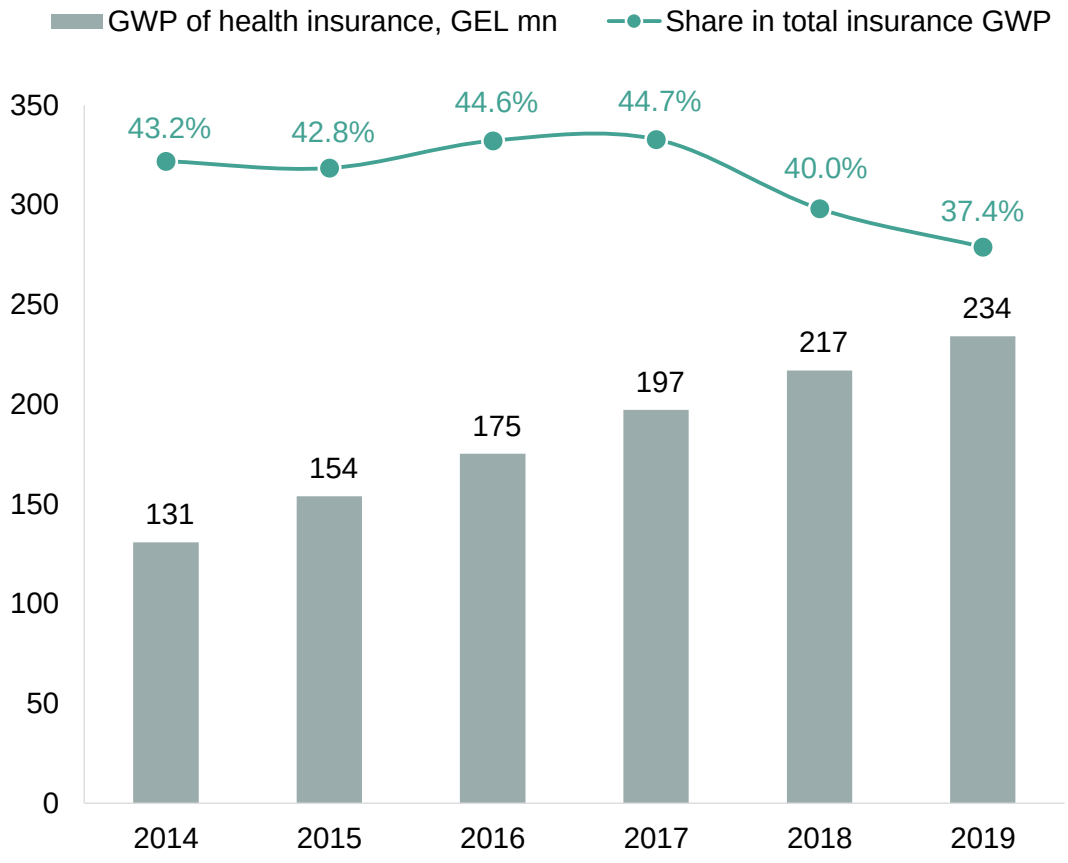
Health insurance coverage in Georgia expanded, reaching 607.2k active policies (16.3% of population) in 1H20

Health insurance coverage



Source: Insurance State Supervision Service of Georgia

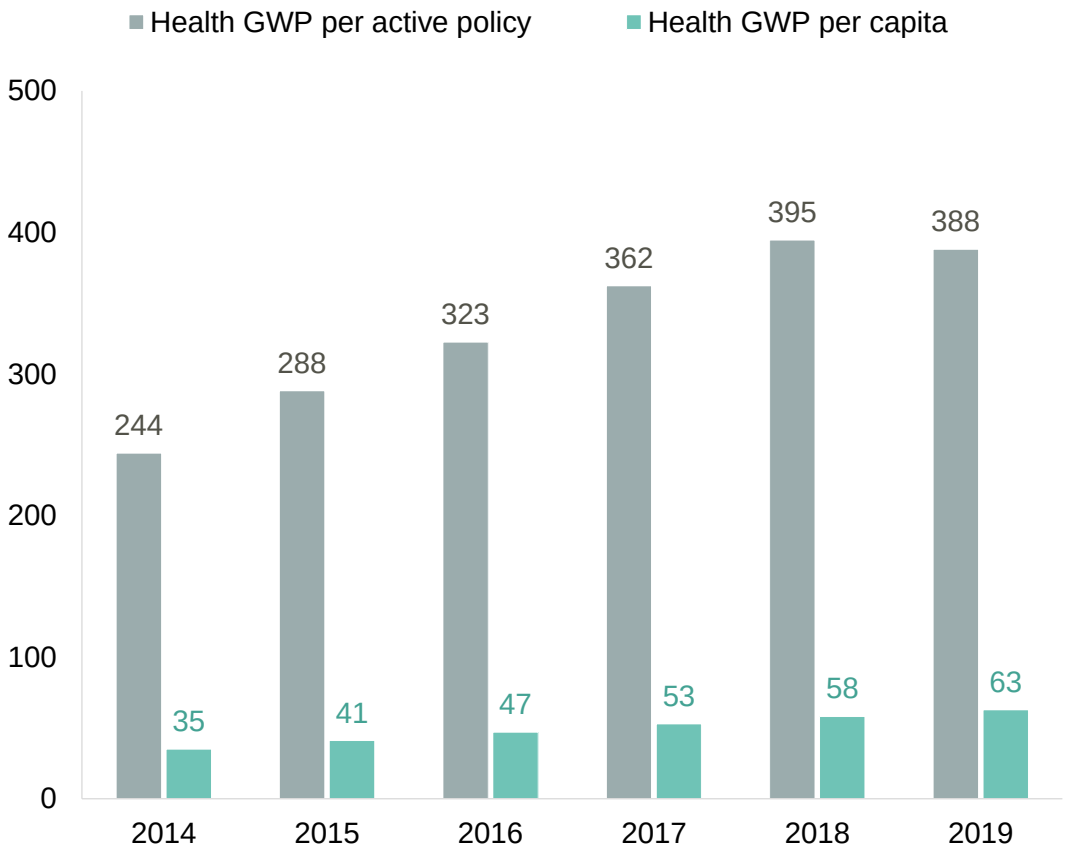
Health insurance GWP, GEL mn



Source: Insurance State Supervision Service of Georgia

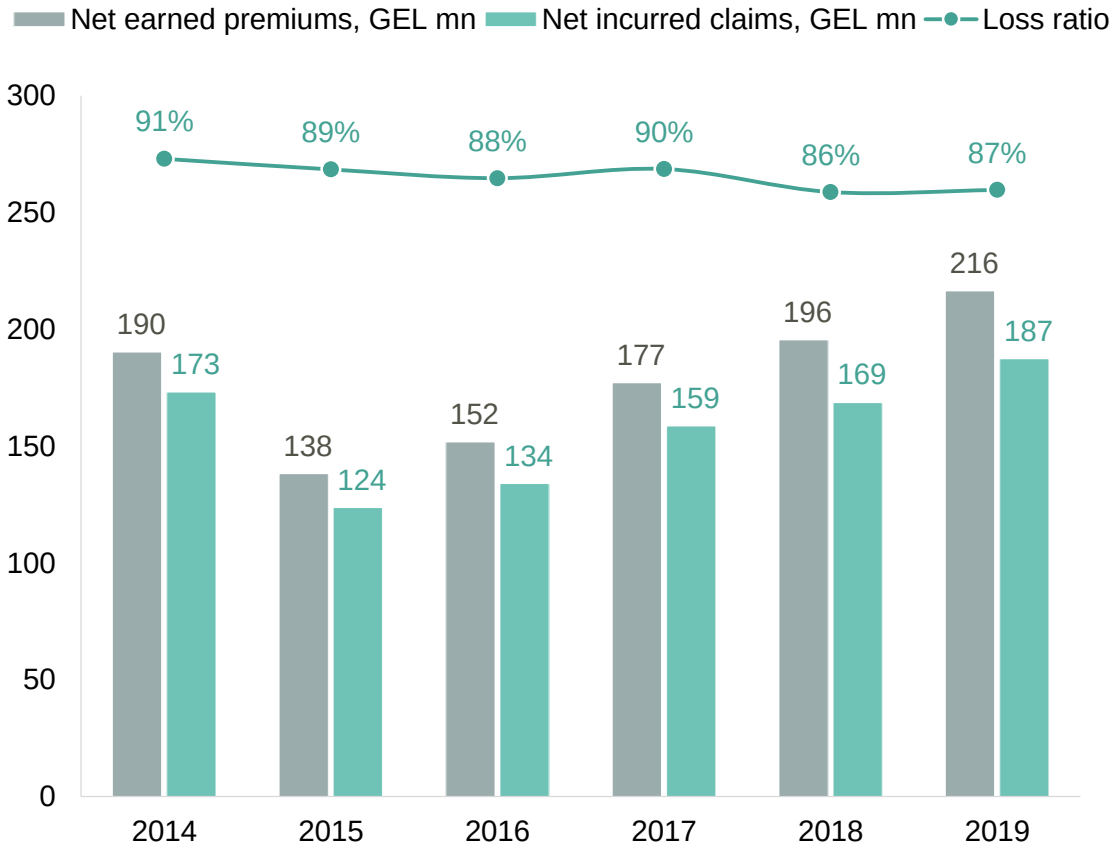
Health insurance GWP stood at average GEL 390 per active policy in 2018-19

Health insurance GWP, GEL



Source: Insurance State Supervision Service of Georgia

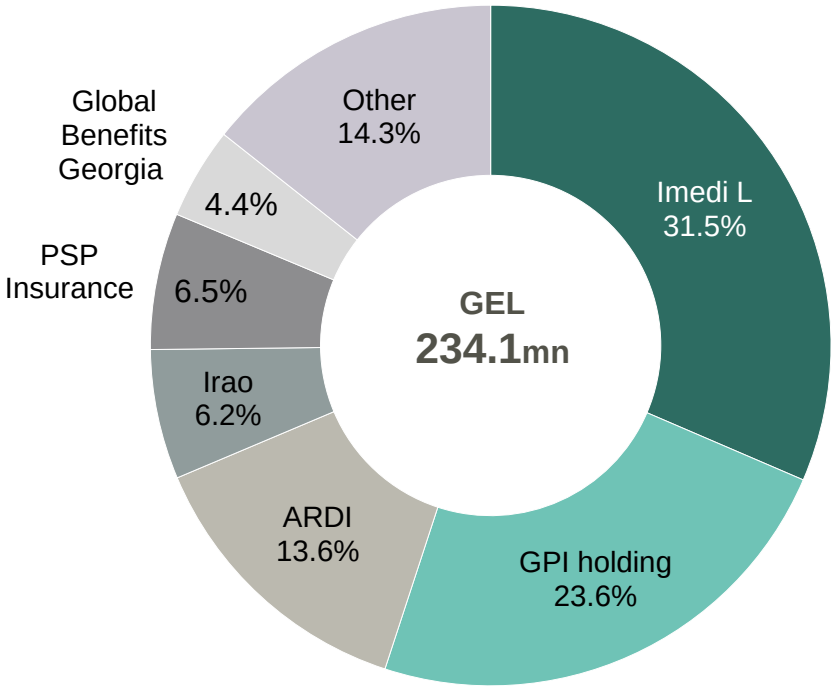
Health insurance loss ratio



Source: Insurance State Supervision Service of Georgia

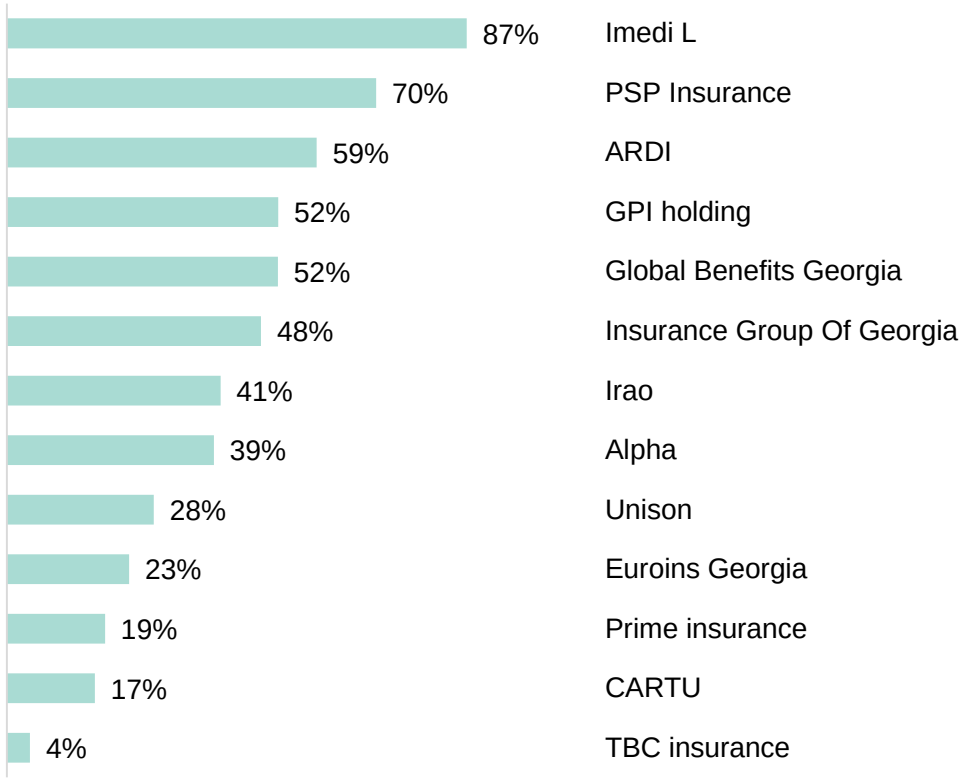
Imedi L, GPI holding and ARDI are key players on the Georgia's health insurance market

Georgia's health insurance market by GWP, 2019



Source: Insurance State Supervision Service of Georgia

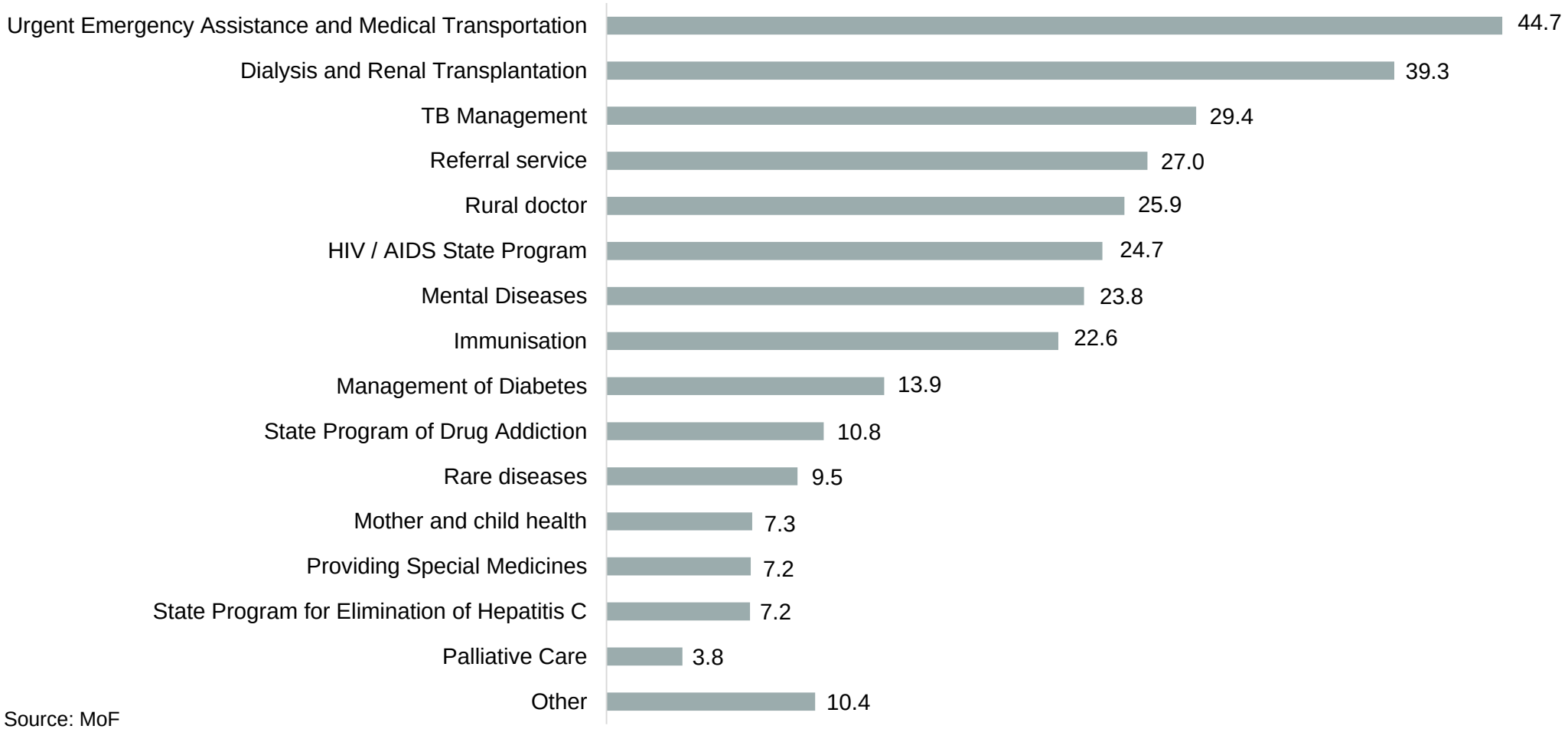
Share of health insurance in total GWP, 2019



Source: Insurance State Supervision Service of Georgia

GEL 307mn was spent on different public healthcare programs other than UHC in 2019

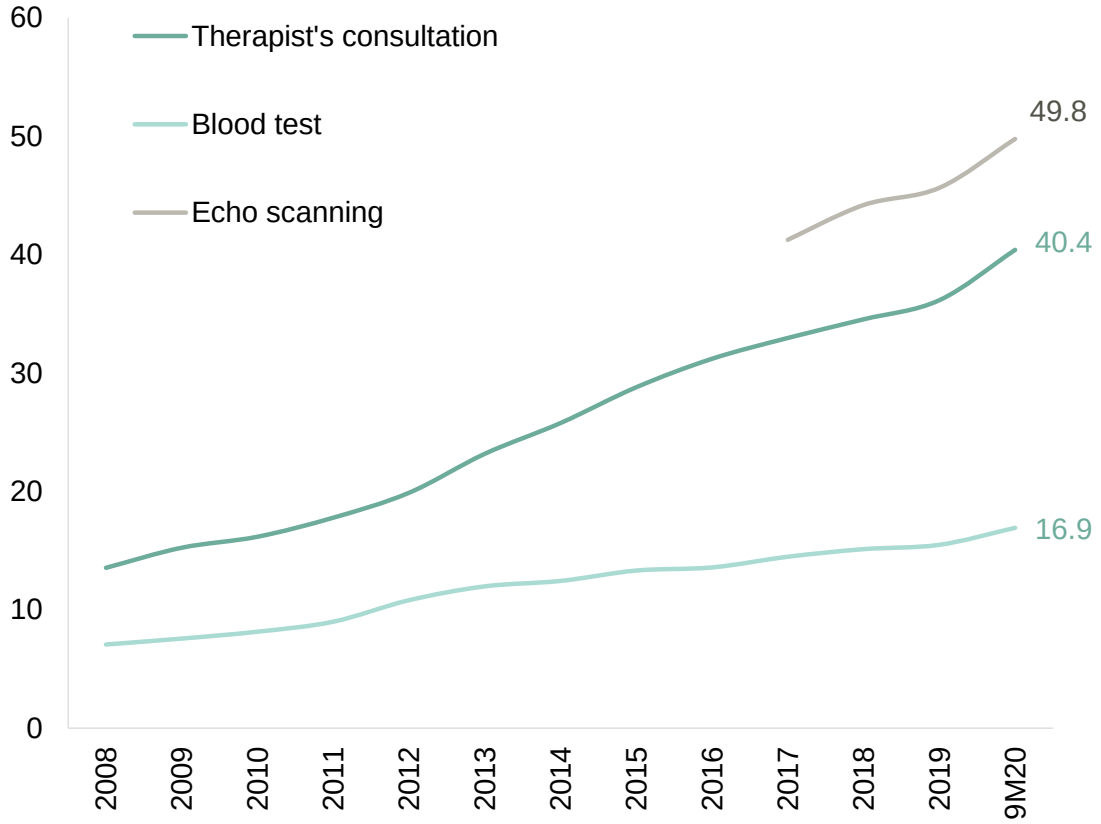
Public healthcare programs other than UHC, 2019, GEL mn



Source: MoF

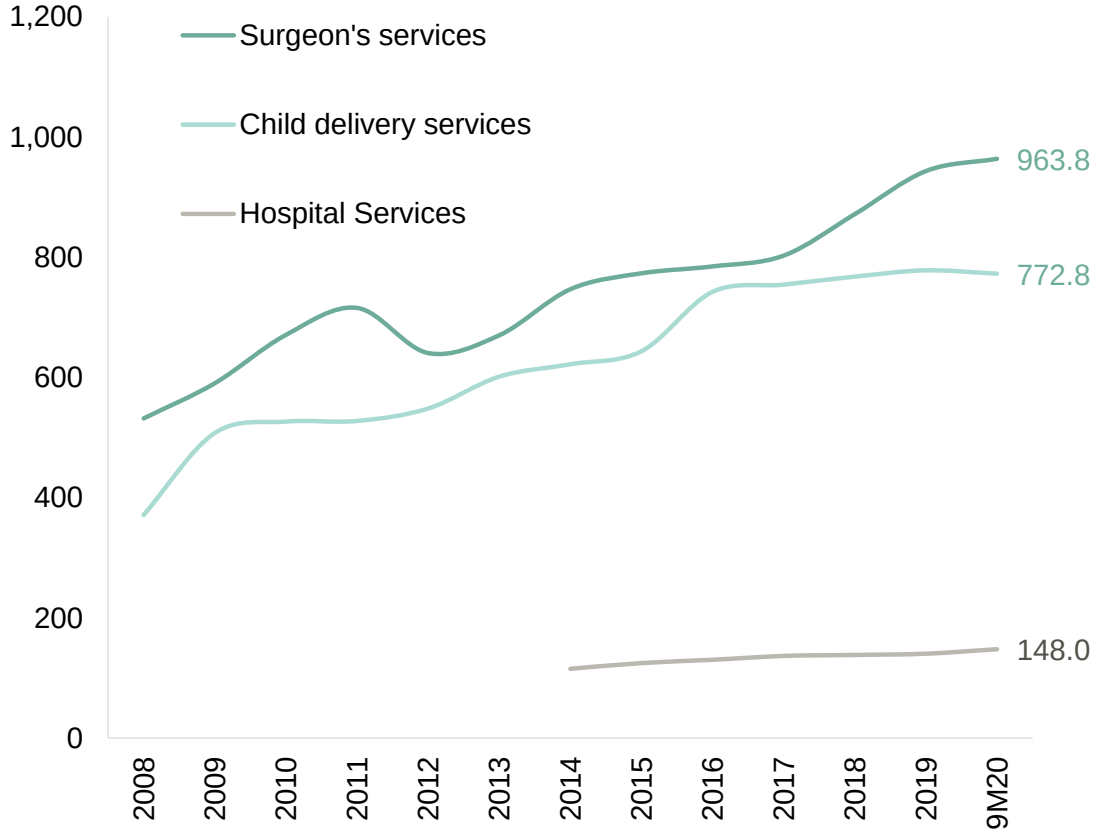
Prices of key hospital and ambulatory services have been on the rise over the last decade

Average retail prices of outpatient services, GEL



Source: GeoStat

Average retail prices of inpatient services, GEL



Source: GeoStat

Morbidity with acute and chronic diseases by main disease groups

Registered cases diagnosed for the first time, '000	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Diseases of the respiratory system	448	439	471	522	557	606	704	745	647	642	583
Diseases of the digestive organs	166	152	225	280	292	350	376	343	268	350	303
Diseases of the circulatory system	96	98	103	133	197	165	175	191	185	150	140
Injuries and poisonings	42	47	36	68	58	67	87	100	74	113	115
Diseases of urogenital system	65	72	77	127	111	114	130	142	125	130	102
Infectious and parasitic diseases	64	72	64	83	105	96	110	102	90	102	95
Diseases of musculosceletal system & connective tissue	32	31	33	58	58	56	68	66	69	73	76
Diseases of the eye and adnexa	48	50	52	78	92	107	107	93	126	115	73
Diseases of endocrin system, digestion disorders, disorders of metabolosm and immunity	40	44	41	60	67	78	89	85	88	84	72
Diseases of the skin and subcutaneous tissue	40	38	43	59	63	63	70	62	63	67	59
Diseases of the nervous system	46	48	46	68	58	67	74	69	61	58	51
Diseases of the ear and mastoid process	28	28	30	53	55	55	70	65	59	55	45
Psychic and behavioural disorders	5	4	6	8	8	10	13	2	17	14	20
Diseases of blood and blood forming organs	18	17	15	19	17	19	25	22	20	18	18
Complications of pregnancy, childbirth & postnatal period	10	7	12	12	15	18	21	14	13	15	15
Neoplasms	13	12	10	12	19	25	47	10	9	10	10
Congenital malformations	2	2	2	2	2	2	3	2	2	3	3
Certain conditions originated in the perinatal period	2	2	2	2	3	3	3	2	2	2	2
Symptoms, signs and inexactly identified states	7	7	8	19	20	23	47	59	47	...	...
Total	**1,170**	**1,170**	**1,276**	**1,663**	**1,796**	**1,924**	**2,218**	**2,175**	**1,963**	**2,001**	**1 781**

Source: GeoStat

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