

Health Insurance: Effects And Awareness

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Abstract

Background:

Health care has always been a problem area for India and there remains a huge untapped potential for Health Insurance sector in the country.

Aim:

The aim of this survey is to assess the awareness about the health insurance, availability and characteristics of health insurance coverage, insurance benefits, costs, their usefulness, problems faced while getting claims etc amongst general population in Surat city.

Methods:

The study was carried out in the residential society/complexes of Surat Municipal Corporation in India utilizing a cross-sectional study design. A standard WHO cluster sampling technique was utilized to select 25 clusters. At least 20 households with head of the family being present at the time of survey were selected in each sampling cluster. Thus total 500 families were covered. Data analysis was done by Epi Info 2007. Various aspects related to health insurance coverage was the main interest variable of study.

Results:

Overall 69.6 % of the people have health insurance and among them 58.5 % people have private health insurance. Almost 39.4 % people have taken health insurance due to advice of an insurance agent. Almost 62.7% people didn't claim during last year. Among the people who did claim in last year 77.8% did not feel any problems while getting claims. Only 29.8 % people worry about hospital expenses after taking health insurance and 86% people feel that health insurance is worthy. Around 93% people recommend taking health insurance to other people.

Conclusions:

The study suggests that there is enough awareness and in general positive attitude towards health insurance in Surat city.

Keywords:

Health insurance, claim, Health status, insurance agent, private insurance company

Introduction

Health care has always been a problem area for India, a nation with a large population and a larger percentage of this population living below the poverty line. As medical care advances and treatments increase health care costs also increase^{1,2}. The purpose of health insurance is to protect one and one's family financially in the event of an unexpected serious illness or injury that could be very expensive¹⁻³.

But surprisingly, for a country with a large middle-income segment of 312 million for prospective insurance selling, insurance in India has not been a sector that has taken off. Only 65 million Indians have been introduced to insurance thus representing

a huge untapped potential for insurance companies. This can be explained partly by the fact that India is a low income developing economy whose domestic saving potential in long-term assets is not as high as that of developed economies to spread the habit of insurance.

The aim of this survey is to assess the awareness about the health insurance, availability and characteristics of health insurance coverage, insurance benefits, costs, their usefulness, problems faced while getting claims etc amongst general population in Surat city.

The survey data provides an important benchmark for analyzing ongoing developments in the health insurance coverage and benefits.

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Methods

Study design

It is a cross-sectional study.

Study setting

The study was conducted in residential societies/complexes of Surat Municipal Corporation (SMC), one of the most rapidly growing cities of India. The survey was conducted over a period of three months from 20th December 2008 to 20th March 2009.

Study sample

The Surat city (SMC area) was the main sampling domain and the residential societies/complexes of the city were the sampling unit in first phase of sampling whereas households in the sampled cluster residential society/complex were the sampling unit in the second phase of sampling. A total of 25 clusters were selected. Total 20 households with head of the family present in the household at the time of the survey were selected in each sampling cluster according to standard World Health Organization (WHO) cluster sampling techniques⁴; considering the geographical density, feasibility and better representation. Thus total 500 households were selected.

Study tool

The head of the family in the sampled households were interviewed using a structured questionnaire. Questionnaire was made after studying different articles and assessing needfulness of health insurance among people. Questionnaire was pretested and adapted to local situation. The overall response rate for the survey was 100 percent. Information was obtained regarding baseline data and various aspects of health insurance, including age, sex, religion, annual income, health status, type and number of plans offered, availability and characteristics of health insurance coverage, insurance benefits, costs etc.

Data collection and analysis

The rationale of the research and the nature of questions were explained to head of the household and informed consent was taken. Data collection for whole study was done by principal investigators themselves who were standardized in the interview process. The data collection process was monitored by double checking at the end of the field day by data collector himself as well as was by random quality

checks to minimize missing values.

The data entry and analysis was done with Epi info 2007 statistical software. Frequencies and proportions were calculated for categorical variables.

Results

The majority of the people belonged to the age group between 19 to 50 years which was 305(61%). Total 351(70.2%) subjects were male while the rest 140(29.8%) were females. 413(82.6%) subjects were Hindu, 48(9.6%) subjects were Muslims while the rest 39(7.8%) samples were from other religions. Subjects with annual income less than 50,000 Rs were 129(25.8%) while between 50,000 Rs-1,20,000 Rs were 180(36%) and above 1,20,000 Rs were 191(38.2%).

About 118(23.6%) people had not visited doctor during last one year. While the 125(25%) of the people had visited more than twice in a year and 257(51.4%) were having only one visit in last year. Total 379(75.8%) people had no hospital stay in the last year while the 110(22%) people were having once-twice hospital stay and 11(2.2%) people were having more than twice hospital stay. Total 428(85.6%) of the people were having prescribed medicine for less than 30 days while 41(8.2%) of the people were having it for one-six months and 31(6.2%) were having it for more than six months in last one year.

Total 352(69.6%) of the people were having the health insurance while the rest 148(30.4%) didn't have health insurance due to lack of awareness about the same. Out of 352, 206(58.5%) of the samples were having private health insurance while the 114(32.5%) had the government based health insurance. The 32(9%) population had employee based health insurance. Out of 352, 97(27.5%) of the subjects had come to know about health insurance through their family members while 62(17.6%) knew about it through friend and 139(39.4%) knew through agent and 34(9.6%) knew it through advertisement and 20(5.9%) knew through other sources. Total 116(32.9%) of the 352 people took insurance because of threatening diseases faced before, 130(36.9%) of the people took accidental insurance, 38(10.7%) people took insurance due to any know hereditary disease. Other 68(19.5%) people took insurance because of other causes. Out of those having insurance coverage, 114(32.3%) of the people took health insurance of less than Rs.1,00,000, 170(48.2%) people took insurance of Rs.1,00,000-3,00,000, and the rest 67(19.5%) took health insurance. Can you correct this para . the

values to be stated in figures and not in words of more than Rs. 3,00,000

Total 221(62.7%) has not claimed within the last year while 103(29.2%) of the 352 people had done 1-3 claims in the last year and 27(8.1%) had done >3 claims in the last year. Total 17 % people did accidental claims while 8.5 % did claims for infectious disease, 8.2 % did claims for chronic disease. 77.8 % people did not find any problems in reimbursements of their claims, while 7.9% were complaining of delay in getting claims, 9.0 % people were complaining of paperwork and other 5.3 % people had other complains

Out of 352, 158(44%) people felt that hospital charges more on insured persons, while 201(56%) people did not agree with this. Total 217(60.8%) people did not have to pay anything out of insurance coverage while 138(39.2%) people had to pay. Amongst them, 69.8% people had paid less than 1000 Rs outside insurance cover, while 15.9% had paid between 1000-10000 Rs and 3.9 % people had paid more than 10000 Rs.

105(29.8%) people still worried about hospital expenses after taking health insurance, while remaining 253(70.2%) people did not worry. Similarly around 281(83%) out of 352 people felt free to visit doctors even for minor disease, after taking health insurance policy. 305(86%) of the insured people thought that taking health insurance policy had turned out to be a wise step. 333(93%) insured people also recommended health insurance for other people who are not covered.

Discussion

The study included the 500 earning member of their family or the head of the family. The study showed that 69.6 % of the people have health insurance. These suggest that there is enough awareness about the health insurance. Among the people having health insurance the majority, 58.5 % people had private health insurance. These suggest that there is a major influence of private firms on the health insurance market. Almost 39.4 % people had taken health insurance due to advice of an insurance agent which suggests that influence of insurance agent is good enough. Almost 62.7% people didn't claim in last year. Among the people who did claims last year, 77.8% did not feel any problems while getting claims. This suggests good response and customer service from the insurance companies. Only 29.8 % people worried about hospital expenses after taking health insurance. This suggest that majority of the people feel relief

about hospital expenses after taking health insurance. 86% people felt that health insurance was worthy and 93% people recommended taking health insurance. This suggests the positive attitude toward the health insurance.

Conclusion

The study suggests that there is enough awareness and in general positive attitude towards health insurance in Surat city with private firms and insurance agents being major catalyst in insurance buying. Overall people feel more relaxed about hospital expenses after taking health insurance. Overall satisfaction with the customer services of the companies is also high.

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