



MEDICLAIM HEALTH INSURANCE POLICY–A STUDY ON CONSUMER BEHAVIOUR IN ROHTAK DISTRICT

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ABSTRACT

A man engaged in earning his livelihood, has to encounter many risks. Some of the risks are expected and some others are quite unexpected. In a civilized society, many systems have been evolved to guard against such risks. Insurance is one of the mechanism available at present to avoid loss arising out of such risks. It is a contract between the policyholder and the insurance company for compensating the loss caused to the policyholder in consideration of premium from him. Unlike life insurance, in health insurance the extent of loss can't be predetermined and it will be estimated according to the circumstances under which the damage occurred. So a study on attitude and behaviour of the policyholders towards the mediclaim (health insurance) policy was conducted in ROHTAK district.

KEYWORDS : Consumers, Behaviour, Health Insurance, Mediclaim etc.

Introduction

Health insurance is fast emerging as an important mechanism to finance health care needs of the people. The need for an insurance system that works on the basic principle of pooling of risks of unexpected costs of persons falling ill and needing hospitalization by charging premium from a wider population base of the same community. In the present scenario the annual expenditure on health in India amounts to about \$7.00 in rural areas and \$10.00 in urban areas per person, majority of care being provided by the private sector. With improved literacy, modest rise in incomes, and rapid spread of print and electronic media, there is greater awareness and increasing demand for better health services. During the last 50 years India has developed a large government health infrastructure. There is a great demand for health care services, thus scope for health insurance has been increased day by day.

An attempt is made to review some available literature in this regard:

B. Reshmi et al.(2007) in their article focused on to find out the awareness of health insurance in an urban population in south India, a community based cross-sectional study was carried out. A total number of 242 respondents from 242 household were interviewed by using a pretested Performa after obtaining informed consent from the participants. The awareness of health insurance was found to be 64.0%. Gobi S. and Parthasarathy R. (2011) in their paper suggested that India's tryst with health insurance program goes back to the late 1940s and early 1950s when the civil servants (Central Government Health Scheme) and formal sector workers (Employees' State Insurance Scheme) were enrolled into a contributory but heavily subsidized health insurance programs. G.Kasirajan (2012) tell that 60 per cent of the respondents stated that it would reduce the out-of-pocket expenditure and give opinion that government should come out with a clear cut policy, where the public can be made to contribute compulsorily to a health insurance scheme to ensure unnecessary out-of-pocket expenditures and also better utilization of their health care facilities. Nandi A. et al., (2013) in their article analyze the determinants of participation and enrolment in the scheme at the level of district. They used official data on the Rastriya Swasthya Bima Yojana enrolment, socioeconomic data from the district level household survey 2007-08. Result from multivariant probit and OLS analysis suggests that political and institutional factors are among the strongest determinants explaining the variation in participation and enrolment in RSBY.

OBJECTIVES OF THE PRESENT STUDY

1. To evaluate the awareness level and source of information about mediclaim health insurance policy.
2. To describe the type of mediclaim health insurance policy preferred

by the respondents.

3. To identify the reasons and purpose of taking health insurance.

RESEARCH METHODOLOGY

The research methodology for this proposed study is as follow:-

Research Design

This study is the descriptive in nature. Descriptive research includes surveys and fact- finding enquiries of different kinds.

Sample Design

It is practically impossible to examine the entire universe due to lack of time and resources so researcher have to do sample survey.

SAMPLING TECHNIQUE

Convenience cum Purposive Sampling was used for proposed study.

Sample Area

Rohtak district of Haryana was selected for the study.

Sample Size

Total 100 mediclaim policyholders (respondents) are taken out of which 50 are mediclaim policyholders of public insurance companies and remaining 50 are the policyholders of private companies.

Nature and Sources of Data

The data used for this study are of primary as well as secondary type. In order to collect primary data the structure questionnaire was designed for studying the consumer behaviour towards mediclaim policy. Secondary data was collected from journals, books etc.

Data Analysis

The data was analyzed, interpreted and evaluated with the help of tables, diagram, percentage, weighted average score etc.

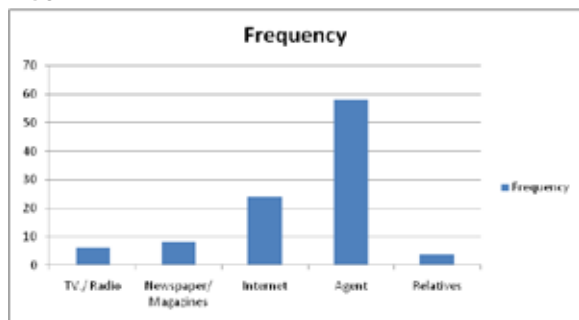
Table 1

Source of Information for Mediclaim

Sources of Awareness	Frequency	Percent (%)
TV/ Radio	6	6.0
Newspaper/ Magazines	8	8.0
Internet	24	24.0
Agent	58	58.0
Relatives	4	4.0
Total	100	100.0

Source: Researcher's Calculations

FIGURE 1



Sources of Information
Source: Researcher's Calculations

Table 1 and figure 1 both shows clearly the sources from which respondents becomes aware about mediclaim. Agents play a very important role to become the respondents aware about mediclaim. 58% respondents said that they became aware about mediclaim through agents. After that internet plays a very important role. 24% respondent becomes aware about mediclaim through internet. Relatively television and newspaper plays small role to becomes respondents aware about mediclaim.

Table 2
Awareness Regarding Mediclaim Elements

Statement regarding mediclaim	Yes	NO	Total
Terms and Conditions	57	43	100
Exclusions & Inclusions	39	61	100
Types of mediclaim policies	49	51	100
Maximum coverage	92	8	100
Other health insurance companies	40	60	100

Source: Researcher's Calculations

Table 2 indicate awareness level of respondents regarding mediclaim policies. It indicates that respondents are not aware fully regarding different aspects and elements of mediclaim. Mostly respondents are aware about 'Maximum Coverage'. But many are not aware about all 'Terms and Conditions' of mediclaim and types of mediclaim policies. Only 40% are aware about other health insurance companies but 60% are not. In same way 49% are aware about different types of mediclaim policies but 51% respondents are not aware about it.

Sr. No.	Type of Mediclaim Policy	Frequency	Percent
1.	individual mediclaim policy	84	84.0
2.	family floater mediclaim policy	14	14.0
3.	Others	2	2.0
	Total-	100	100.0

Source: Researcher's Calculations

Table 3 depicts the frequency and percentage of respondents according to their type of mediclaim policy. A very large percentage (84%) of respondents has individual mediclaim policy, which shows very less interest in group mediclaim policies.

Various reasons for preferring mediclaim policy

Weighted Average Score (WAS) technique was applied to find out the mean score and rank of various reasons for preferring the mediclaim policy by using five point Likert Scale. Score given are as follow:-

- Most Important (Most Imp.) = 1
- More important (More Imp.) = 2
- Important (Imp.) = 3
- Less important (Less Imp.) = 4
- Least important (Least Imp.) = 5

Table 4
Weight and Ranks of Various Reasons for Preferring Mediclaim Policy

Sr. No.	Particulars	Most Imp.	More Imp.	Imp.	Less Imp.	Least Imp.	WAS	Ranks
1	Tax Deductions.	2	44	12	29	13	3.07	2
2	Nominal Premium.	4	35	18	34	9	3.09	3
3	Avail Good Quality Medical Treatment.	5	0	49	20	26	3.62	4
4	Risk Coverage Against Future Illness.	93	6	1	0	0	1.08	1
5	Existing Illness.	3	10	19	16	52	4.04	5

Source: Researcher's Calculations

Table 4 reveals the mean scores and ranks of various reasons for preferring mediclaim policy. While analyzing the reasons for having mediclaim, most governing reason is protection against future illness. The mean score is lowest for the reason of Risk Coverage against Future Illness. People prefer mediclaim policy to protect them against risk of future illness. Mainly they want protection from various disease and sudden financial crisis. Weighted Average Score (WAS) for reason risk coverage against future illness is 1.08. Second main reason for preferring mediclaim is tax deduction whose Weighted Average Score (WAS) is 3.07. People want relaxation in their taxable income. Third main reason for preferring mediclaim is affordable nominal premium. WAS for this reason is 3.09. Respondents considered mediclaim claim within affordable limit and placed it at third position. WAS for reason of 'avail good quality medical treatment' and 'existing illness' is 3.62 and 4.04 respectively and have fourth and fifth position.

CONCLUSION:-

Although, mediclaim (health insurance policy) is a new concept and the people are also getting aware about it at low speed, which mainly comes from agents followed by internet, newspaper, friends etc, but this awareness has not yet reached the level of subscription and large chunk of the population is still financing health care expenditure without health insurance. Mediclaim policyholders have little awareness regarding different aspects of mediclaim. Maximum policyholders have knowledge of maximum coverage but 50% respondents are not aware about terms and conditions, exclusions and inclusions and other health insurance companies. While analyzing the reasons for having mediclaim, it was found that most of the governing reasons were risk coverage against future illness and tax deductions followed by nominal premium, avail good quality medical treatment and existing illness. Maximum number of respondents opted for individual mediclaim policies.

LIMITATIONS OF THE STUDY

There were some limitations in doing this research. This research has been a single-handed effort on the part of the researcher, and certain discrepancies might have occurred owing to the lack of specialized knowledge on this subject. The analysis based on the questionnaire only covers policy holders residing in Rohtak district and also the sample is relatively small compared to the entire population.

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