



Marketing of Health Insurance in Rural Area (A Study With Reference to Gulbarga, Yadgir and Raichur Districts of Karnataka)

KEYWORDS

Rural, Health, Insurance, Customers, Awareness

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ABSTRACT *In this article, analysis of customers perception regarding health insurance and involves its examination at series of stages i.e. analysis is multidimensional in nature. In other words, an effort was made in present study to examine the customer's perception regarding health insurance and the peculiar feature of it lies in multi-dimensions. As firstly, it examines the respondents who are aware or not aware about health insurance as well as various sources of awareness.*

INTRODUCTION:

Various studies reveal that in India, more than 80 per cent of health care's expenditure is borne by individuals i.e. health care financing is mainly in the form of out-of-pocket, which is gradually pushing them in to a vicious circle of poverty. In such a situation, health insurance is a widely recognized and preferable mechanism to finance the health care expenditure of the individuals. As far as the stages of development of health insurance in India are concerned, it is in the embryonic stage. As the people of India are not much aware about it and very few part of the population is taking the advantages of it. Moreover, those who are aware about it are not actively participating for one reason or another and thereby making it difficult to bring it to the stage of expansion. Beside this, very few insurers are actively venturing in it and thereby making it difficult to construct inroads for health insurance in India. But there is terrible need of health insurance in India. As according to world bank report (WBR) some relevant studies reveals that 85% of the working populations in India do not have Rs.5,00,000 as instant cash; 14% have Rs, 5,00,000 instantly but will subsequently and easily; and 99% of Indians will face financial crunch in case of any critical illness. Hence the need for health insurance in India can not be overlooked. customer's perception with respect to health insurance was also studied in order to get insight into their awareness; satisfaction; willingness to join and pay for health insurance.

In simple terms, health insurance can be defined as a contract where an individual or group purchases in advance health coverage by paying a fee called "premium". Health insurance refers to a wide variety of policies. These range from policies that cover the cost of doctors and hospitals to those that meet a specific need, such as paying for long term care. Even disability insurance, which replaces lost income if you cannot work because of illness or accident, is considered health insurance, even though it is not specifically for medical expenses.

Health insurance is very well established in many countries, but in India it still remains an untapped market. Less than 15% of India's 1.1 billion people are covered through health insurance. And most of it covers only government employees. At any given point of time, 40 to 50 million people are on medication for major sickness and share of public financing in total health care is just about 1% of GDP. Over 80% of health financing is private financing,

much of which is out of pocket payments and not by any pre-payment schemes. Given the health financing and demand scenario, health insurance has a wider scope in present day situation in India. However, it requires careful and significant efforts to tap Indian health insurance market with proper understanding and training.

Health insurance scenario in India

Health is a human right. It's accessibility and affordability has to be ensured. The escalating cost of medical treatment is beyond the reach of common man. While well to do segment of the population both in Rural and Urban areas have accessibility and affordability towards medical care, the same cannot be said about the people who belong to the poor segment of the society. Health care has always been a problem area for India, a nation with a large population and larger percentage of this population living in urban slums and in rural area, below the poverty line. The government and people have started exploring various health financing options to manage problem arising out of increasing cost of care and changing epidemiological pattern of diseases. The control of government expenditure to manage fiscal deficits in early 1990s has let to severe resource constraints in the health sector. Under this situation, one of the ways for the government to reduce under funding and augment the resources in the health sector was to encourage the development of health insurance. In the light of escalating health care costs, coupled with demand for health care services, lack of easy access of people from low income group to quality health care, health insurance is emerging as an alternative mechanism for financing health care.

Need of the study

In India, there is dire need to study the state of health insurance both in term of its performance as well as its prospects. The reason is attributable to the facts that firstly; this is one of the recent origins in India and still it is at an embryonic stage, as the people of India are not much aware about it and very few part of the population is taking the advantages of it. Moreover, very few insurers are actively venturing in it and thereby making it difficult to construct inroads for health insurance. Secondly; this is one of the growing businesses now days as it is expected that by 2015, health insurance premium will touch Rs 35000 crores and by 2025, it will be Rs. 4,00,000 crores. Thirdly; it is the need of hour, as according to world bank report, various studies reveals that 85% of the working

populations in India do not have Rs. 5,00,000 as instant cash; 14% have Rs. 5,00,000 instantly but will subsequently face a financial crunch; Only 1% can afford to spend Rs. 5,00,000 instantly and easily; and 99% of Indians will face financial crunch in case of any critical illness. Hence, the need for health insurance in India cannot be overlooked.

Objective of the study

To know the Awareness Level and Sources of Awareness for Health Insurance in rural area

Research Methodology

For the purpose of present study two set of data were collected and used, which include both primary sources as well as secondary sources. Primary data has been collected through questionnaire and secondary data has been collected from the books, journal etc.

Empirical Results, Its Analysis And Interpretation

Table no.01 personal profile of respondents: A significant proportion of the sample was male members. Majority of the respondents belonged to the age groups of 30-40 years and were married and living in nuclear families. Maximum respondents were graduate followed by higher education and post graduation and were employed. As far as level of income is concerned, a major percentage of the respondents fall in the annual income category of less than Rs.50000 and Rs.50000-100000.

**Table No.01
Personal profile of the respondents**

Gender	Frequency	Percentage
Male	441	78.3
Female	122	21.7
Total	563	100
Age	Frequency	Percentage
Less than 30	174	30.9
30-40	320	37.3
40-50	100	17.8
Above 50	79	14.0
Total	563	100
Marital Status	Frequency	Percentage
Single	222	39.4
Married	341	60.6
Total	563	100
Type of Family	Frequency	Percentage
Joint	152	27.0
Nuclear	411	73.0
Total	563	100
Education	Frequency	Percentage
Illiterate	4	0.7
Primary	9	1.6
Middle	17	3.0
Matric	51	9.1
Higher education	158	28.1
Graduation	192	34.1
Post Graduation	114	20.2
Vocational	6	1.1
Other	12	2.1
Total	563	100
Occupation	Frequency	Percentage
Employed	182	32.3

Self employed	93	16.5
Labour	51	9.1
Housewife	86	15.3
Unemployed	45	8.0
Professional	73	13.0
Family owned business	24	4.3
Retired	9	1.6
Total	563	100
Income per annum	Frequency	Percentage
Less than Rs50000	179	31.8
Rs.50000-100000	167	29.7
Rs.100000-150000	95	16.9
Rs 150000-200000	84	14.9
Above Rs 200000	38	6.7
Total	563	100

Source: Field Study

Awareness, Exposure and knowledge of respondents for health insurance:

Although, health insurance is not a new concept and people are also getting familiar/aware about it, yet this awareness has not reached to the level of subscription of health insurance products.

**Table 8.2
Awareness Level and Sources of Awareness for Health Insurance**

Awareness/ Subscription of health insurance	Particulars	Frequency	Percentage
	Not aware/ not exposed	49	8.7
	Aware/exposed and subscribed	109	19.4
	Aware/exposed and unsubscribed	405	71.9
Total	563	100	
Sources of Awareness	Particulars	Responses	% of responses
	Tv	281	26.5
	Newspaper	225	21.2
	Agents	189	17.8
	Family	73	6.9
	Friends	111	10.5
	Movies	63	5.9
	Employee of insurance company	93	8.8
	Tax consultants & doctors	14	1.3
	Any other	13	1.2
Total	1062	100	

Source: Field Study

Table No..2 depicts that although, a significant portion of respondents were aware about health insurance as they heard about it from one or more sources, yet their awareness has not reached to the level of subscription as 71.9% of respondents were still without any form of health insurance and presently only 19.4% were having any form of health insurance.

As far as the sources of awareness is concerned, there are number of sources generating awareness regarding health

insurance. The results of the study provided that the main source of awareness about health insurance is TV as the percentage of response is 26.5%, followed by newspaper (21.2%), agents (17.8%), friends (10.5%), employees of insurance companies (8.8%), family (6.9%), movies (5.9%), tax consultant and doctors (1.3%) and any other (1.2%). Overall it can be concluded that the main sources of awareness is TV, newspaper, agents and friends as in these cases percentage of response is more than 10%.

Findings:

The results provided that, a significant proportion of the sample was male members. Majority of the respondents belonged to the age groups of 30-40 years and were married and living in nuclear families.

Maximum respondents were graduate followed by higher education and post graduation and were employed.

As far as level of income is concerned, a major percentage of the respondents fall in the annual income category of less than Rs. 50000 and Rs.50000- 100000.

Although, the health insurance is not a new concept and

the people are also getting aware about it, which mainly comes from TV followed by newspaper, agents, friends etc, but this awareness has not yet reached the level of subscription.

Conclusion:

The result has also provided with the fact that although there is variation in the number of services provided with respect to providers' linkage and subsidies received by them, yet this variation is not significant. The reason might be attributable to the fact that those operating with the linkage of insurance companies or receiving assistance/subsidies from the government are also bound to pay them back in consideration, which can be in the form of premium and loan component, which will exactly offset the enhanced benefits received by associating with the insurance companies or receiving assistance from government and other. So the government should come forward to subsidies the health care mechanism with more in the form of assistance and lesser in the form loan component. The government should also extend necessary intervention for the effective and efficient functioning of CHI schemes in India.

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