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Awareness and Satisfaction Level of Public Towards Health Insurance Schemes in Mysore District

KEYWORDS: Health insurance, Awareness, Subscription and Satisfaction level.

DR. S. VENKATESH
Assistant Professor, Department of Business Management, Maharaja's College, University of Mysore, Mysore - 570005, Karnataka State

PRASHANTHA
Junior Research Fellow, Department of Studies in Commerce, University of Mysore, Mysuru – 570005, Karnataka State

ABSTRACT *The present study is an effort in the area of 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; secondly, those who are aware have subscribed it or not; thirdly, those who have not subscribed what are the reasons behind the same; and last but not least are they willing to join and pay for it. The study was conducted in Mysore city and 124 questionnaires were got filled from randomly selected general public for analysis. The results have shown that low level of Subscription and satisfaction level of pubic towards health insurance schemes in Mysore District.*

INTRODUCTION

Health insurance is an emerging social security instrument for the poor people, for whom a multitude of health problems, and inaccessibility to an affordable health care system, constitute a major threat to their income earning capacity. In India, access to healthcare has been largely affected by financial exclusion. Government health spending has been very low and hovering around 1% of the gross domestic product (GDP). Till 2009, the penetration of health insurance was minimal and thus there was no other option but to rely on out-of-pocket (OOP) payments for using health services. This fact has important consequences for household living standards. More importantly, the dependence on OOP payments for financing healthcare has affected people below the poverty line (BPL) the most. The poor cited financial constraints as the predominant reason for not seeking healthcare and thereby exposing themselves to health risks.

CONCEPT OF HEALTH INSURANCE

The concept of health insurance can be aptly termed as, "What is highly unpredictable for a person may be predictable for a group of persons." Health insurance, like all other insurance, is to protect us against risks by pooling in resources. An unfortunate few will be unable to afford healthcare due to the fortunate few who are insured, but remain healthy. In a country like India, where there is no social security system, insurance is a financial mechanism to bridge the gap between affordability and accessibility. Moreover, in a large population like ours, the proportion of people whom require hospitalization is relatively lesser. Hence, there is a strong case for establishing health insurance in India.

STATUS OF HEALTH INSURANCE SECTOR IN INDIA

India in the last six years (since 2007) has witnessed a plethora of new initiatives, both by the central government and a host of state governments also entering the bandwagon of health insurance. One of the reasons for initiating such programmes can be traced to the commitment that the governments in India have made to scale up public spending in health care. Given the commitment to upscale government expenditure on health (central and state governments put together) from the present 1 percent to 2-3 percent of GDP, the central and state governments were devising designs to spent these include enhanced access and availability of essential health care services, protecting households from financial risk through schemes such as, National Rural Health Mission (NRHM), and Rashtriya Swasthya Bima Yojana (RSBY). The target specific initiatives include Rajiv Aarogyasri (Andhra Pradesh), Kalaignar's Insurance Scheme for Life Saving Treatment (Tamil Nadu) and Vajapayee Arogyasri Programs in Karnataka, etc.

The health sector is growing at 13%; total health care spending is more than 210,000 crores during 2013. Changing demographics and disease profiles and rising treatment costs will result in health care spending, more than doubling over the next 10 years. Private health is the largest component in this spending in 2012, and it is estimated as Rs. 156,000crores. The Indian Constitution lays the prime responsibility for public health for state governments. The Central Government provides about 15 percent of the funds required- mainly spent on national health programmes. Public health expenditure currently for the huge population of 1.3bn is far below the requirement.

The total health spending of India is estimated to be anywhere between 4.5% to 5.5% of the GDP, where the public health care expenditure is less than 1 percent of GDP. So the private expenditure on health in India is more than 80 percent and most of it is out-of-pocket expenses. Rapid increase in health care cost and more of out of pocket expenses is increasingly pushing more households below poverty line. Ministry report suggests that the average private expenditure in rural India is Rs.7408 against the average hospitalization cost of Rs.3238 in government hospital, which is increasing day by day. However, India's landscape of health insurance has undergone tremendous changes in the last four years with the launch of several more health insurance schemes in the country, largely initiated by central and state governments. It is fascinating to observe the rapid and significant change in the geometry of health insurance coverage in the country. The country that has been witness to three health insurance programs until 2007 (ESIS, CGHS and Private Health Insurance - PHI), is now swamped by a plethora of insurance programs in less

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than three years' time. The breadth, depth and height of health insurance coverage has witnessed enormous leap during this period.

VARIOUS HEALTH INSURANCE PRODUCTS AVAILABLE IN INDIA

- The existing health insurance schemes available in India can be broadly categorized as:
- Voluntary health insurance schemes or private-for-profit schemes
- Mandatory health insurance schemes or government run schemes (namely ESIS, CGHS)
- Insurance offered by NGOs/Community based health insurance

Employer based schemes

1. Voluntary health insurance schemes or private-for-profit schemes:

In private insurance, buyers are willing to pay premium to an insurance company that pools similar risks and insures them for health related expenses. The main distinction is that the premiums are set at a level, which are based on assessment of risk status of the consumer (or of the group of employees) and the level of benefits provided, rather than as a proportion of consumer's income. In the public sector, the General Insurance Corporation (GIC) and its four subsidiary companies (National Insurance Corporation, New India Assurance Company, Oriental Insurance Company and United Insurance Company) provide voluntary insurance schemes. The most popular health insurance cover offered by GIC is Mediclaim policy.

Mediclaim policy: - It was introduced in 1986. It reimburses the hospitalization expenses owing to illness or injury suffered by the insured, whether the hospitalization is domiciliary or otherwise. It does not cover outpatient treatments. Government has exempted the premium paid by individuals from their taxable income. Because of high premiums it has remained limited to middle class, urban tax payer segment of population.

Some of the various other voluntary health insurance schemes available in the market are :- Asha deep plan II Jeevan Asha plan II, Jan Arogya policy, Raja Rajeswari policy, Overseas Mediclaim policy, Cancer Insurance policy, Bhavishya Arogya policy, Dreaded disease policy, Health Guard, Critical illness policy, Group Health insurance policy, Shakti Shield etc.

At present Health insurance is provided mainly in the form of riders. There are very few pure health insurance policies under voluntary health insurance schemes.

2. Mandatory health insurance schemes or government run schemes (namely ESIS, CGHS)

Employer State Insurance Scheme (ESI):- Enacted in 1948, the employers' state insurance (ESI) Act was the first major legislation on social security in India. The scheme applies to power using factories employing 10 persons or more and non-power & other specified establishments employing 20 persons or more. It covers employees and the dependents against loss of wages due to sickness, maternity, disability and death due to employment injury. It also covers funeral expenses and rehabilitation allowance. Medical care comprises outpatient care, hospitalization, medicines and specialist care. These services are provided through network of ESIS facilities, public care centers, non-governmental organizations (NGOs) and empanelled private practitioners. The ESIS is financed by three way contributions from employers, employees and the state government. Even though the scheme is formulated well there are problem areas in managing this scheme. Some of the problems are :-

Large numbers of posts of medical staff remain vacant due to high turnover and low remuneration compared to corporate hospitals.

Rising costs and technological advancement in super specialty treatment.

Management information is not satisfactory.

The patients are not satisfied with the services they get

Low utilization of the hospitals

In rural areas, the access to services is also a problem

b. Central Government Health Insurance Scheme (CGHS):- Established in 1954, the CGHS covers employees and retirees of the central government and certain autonomous and semi autonomous and semi-government organizations. It also covers Members of Parliament, Governors, accredited journalists and members of general public in some specified areas.

Benefits under the scheme include medical care, home visits/care, free medicines and diagnostic services. These services are provided through public facilities with some specialized treatment (with reimbursement ceilings) being permissible at private facilities. Most of the expenditure is met by the central government as only 12% is the share of contribution. The CGHS has been criticized from the point of view of quality and accessibility. Subscribers have complained of high out of pocket expenses due to slow reimbursement and incomplete coverage for private health care (as only 80% of the cost is reimbursed if referral is made to private facility, when such facilities are not available with the CGHS).

c. Universal Health Insurance Scheme (UHIS):- For providing financial risk protection to the poor, the government announced UHIS in 2003. Under this scheme, for a premium of Rs. 165 per year per person, Rs.248 for a family of five and Rs.330 for a family of seven , health care for sum assured of Rs. 30000/- was provided. This scheme has been made eligible for below poverty line families only. To make the scheme more saleable, the insurance companies provided for a floater clause that made any member of family eligible as against mediclaim policy which is for an individual member. In spite of all these, the scheme was not successful. The reasons for failing to attract rural poor are many :-

The public sector companies who were required to implement this scheme find it to be potentially loss making and do not invest in propagating it. To meet the target, it is learnt that several field officers pay the premium under factious names.

Identification of eligible families is a difficult task

Poor find it difficult to pay the entire premium at one time for future benefit, foregoing current consumption needs.

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Paper work required to settle the claims is cumbersome

Deficit in availability of service providers
Set back due to health insurance companies refusing to renew the previous year's policies.

In 2004, the government also provided an insurance product to the Self Help Group (SHG) for a premium of Rs.120 and sum assured of Rs.10000/-. However, the intake is negligible. The reasons for poor intake are similar to those cited above.

3. Insurance offered by NGOs/Community based health insurance
Community based schemes are typically targeted at poorer population living in communities. Such schemes are generally run by charitable trusts or non-governmental organizations (NGOs). In these schemes the members prepay a set amount each year for specified services. The premia are usually flat rate (not income related) and therefore not progressive. The benefits offered are mainly in terms of preventive care, though ambulatory and inpatient care is also covered. Such schemes tend to be financed through patient collection, government grants and donations. Increasingly in India, CBHI schemes are negotiating with for profit insurers for the purchase of custom designed group insurance policies. CBHI schemes suffer from poor design and management. Often there is a problem of adverse selection as premiums are not based on assessment of individual risk status. These schemes fail to include the poorest of the poor. They have low membership and require extensive financial support. Other issues relate to sustainability and replication of such schemes. ¾ Some of the popular Community Based Health Insurance schemes are: - Self-Employed Women's Association (SEWA), Tribuvandas Foundation (TF), The Mullur Milk Co-operative, Sewagram, Action for Community Organization, Rehabilitation and Development (ACCORD), Voluntary Health Services (VHS) etc.

4. Employer based schemes
Employers in both public and private sector offers employer based insurance schemes through their own employer. These facilities are by way of lump sum payments, reimbursement of employees' health expenditure for outpatient care and hospitalization, fixed medical allowance or covering them under the group health insurance schemes. The Railways, Defense and Security forces, Plantation sector and Mining sector run their own health services for employees and their families.

RESEARCH PROBLEM
Health expenditure is increasing day by day which most people pay out their pockets. In the current scenario of consistently increase medical expenses, some people also sell their personal assets. Varied factors are responsible behind having their no insurance. Most people spend more money behind medical expenses in comparison to health insurance amount. In case of having a health insurance, paying out of pocket or borrowing money can be avoided. Existing health insurance schemes in Karnataka failed in covering large chuck of BPL population because of its lack of awareness, failure in networking, inappropriate fund management, governance, accountability and transparency in system. Karnataka government, in its health policy, emphasized equity, integrity and quality in health care. However, limited enrollment to Health insurance schemes because of lack of standardization and accreditation norms in health care industries, shrinking budgetary support for health care services, inadequate health care infrastructure, lower awareness among people about the relevance of health insurance

OBJECTIVES OF THE STUDY
To assess the individuals' awareness level and willingness to join and pay for it in Mysore City.

To Know the Satisfaction level of the health Insurance scheme holders in Mysore City.

RESEARCH METHODOLOGY
For the purpose of present study specified area selected on the assumption that specific area based studies expected to give more meaningful and significant information. Accordingly the present study was done in Mysore city. It was planned to give true representation of three belts of Mysore city, viz., Kuvempu Nagar, Vijay Nagar and Sub-Urban Bus stop near areas were covered. Thereafter selection of sample of respondents was made by following random sampling and on the whole a sample size of 124 respondents was planned from the general public. In the view of fact that in the present study general public has been considered as unit of investigation, a sample framework consisting of equal number of respondents from each of the Area has been taken. The analysis of data collected has been carried out by using simple frequencies and percentages for multiple responses. and Satisfaction Level of Health Insurance Schemes

Awareness/Subscription of health insurance		
Particulars	Frequency	Percentage
Not Aware/not exposed	14	11%
Aware/exposed and Subscribed	36	29%
Aware/exposed and unsubscribed	74	60%
Total	124	100%
Sources of Awareness		
Particulars	Responses	% of Responses
TV	16	15
Newspaper	14	13
Agents	12	11
Family	10	9
Friends	20	18
Movies	03	2
Hospital posters	21	19
Employee of Insurance company	02	2
Tax consultants & Doctors	11	10
Any Other	01	1
Total	110	100%
The Insurer, Approach and Policy opted by health insurance policy holders		
Particulars	Frequency	Percentage
1.Insurer opted		
Public company	13	36
Private company	05	14
Government sponsored schemes	18	50
Total	36	100%
2.Type of Policy		
Group health insurance	10	28
Individual health insurance	04	11
Family floater insurance	19	53
Any other	03	8
Total	36	100%
3.Approach adopted		
Insurance agent Approach	16	44
Your own Approach	20	56

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Total	36	100%
Satisfaction of Health Insurance Policy holders		
Particulars	Frequency	Percentage
1.Services provided delivered effectively		
Yes	11	31
No	21	58
Indifferent	04	11
Total	36	100%
2.Chances of renewing		
100%	10	64
50%	10	6
25%	05	8
0%	11	22
Total	36	100%
3.Are you willing to pay more for additional services		
Yes	04	11
No	32	89
Total	36	100%

Source: **Survey**

FINDINGS

Most of the respondent's aware but not shows their interest to buy health insurance schemes.

Most of the respondents were aware about health insurance schemes through Friends and Hospital posters.

Only few respondents were enrolled to the various health insurance schemes. In that most of the respondents are opted government health insurance schemes.

Most of the respondents were not satisfied with the health insurance schemes.

Most of the respondents were interested to renew their health insurance scheme.

SUGGESTIONS

Health insurance provider should build trustworthy with the public's towards health insurance schemes

Health insurance providers should organize awareness related program in public places.

Health insurance providers should encourage the research which can help them to fulfill the police holder's needs.

CONCLUSION

Health insurance is very necessary for a present situation. And it is not a new concept and the people are also getting aware about it, which mainly comes from Hospital Posters followed by Friends, TV, Newspaper etc, but this awareness has not yet reached the level of subscription. As the results shown that just 29% are being covered by some form of health insurance and large chunk of the population is still financing health care expenditure without health insurance. 50% of the holders are covered under Government sponsored health insurance schemes and 53% of the holders are opted family floater health insurance schemes. 58% of the holders are not satisfied with the health insurance schemes which they opted and 64% of holders show their interest for renewal. Finally, 89% of police holders are not interest to subscribe any other additional health insurance schemes.

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