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AN AWARENESS OF HEALTH INSURANCE AMONG RURAL PEOPLE OF KERALA

Economics

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ABSTRACT

Health insurance schemes are particularly important for individuals from the lower income group to provide them and their family members with adequate cover in event of mishap or illness. The escalating medical costs are due to advanced diagnostic and therapeutic procedure that has become the hallmark of modern medical care. An insurance scheme will guarantee that no compromises are made treat for wants of funds. Remember when negotiating a policy you ask for adequate cover as the provided by the health insurance will depend on the type of policy purchase. Before you ask for the health insurance quote or plan to by a health insurance plan become an informed consumer. Find definitions of commonly used health insurance terms in this health insurance glossary. It serves as a dictionary to help consumers understand common terms used in health insurance.

KEYWORDS:

Health insurance, medical cost, Risk

INTRODUCTION

Now we are living in a world which is highly insecure and uncertain. Each and everyone have to meet the uncertainty at any time. So there is need for a secured insurance policy to meet the future risks and uncertainties. Insurance is co-operative device to spread the loss cost by a particular risk over a number of persons who are exposed to it and who agree to ensure themselves against that risk. Risk is an uncertainty of financial at laws.

Health insurance has been realized as an instrument for the health of the economy. Health insurance is against the risk of incurring medical expenses among individuals. It is personal insurance that provide coverage for the cost of hospital and medical expenses arising from illness or injury. Benefits are paid as a fixed lump sum or as proportion of actual treatment costs. It includes individually hospital cash, critical illness and disability benefit. The need for health insurance for the poor has arises because, illness is found to be one of the important cases of their impoverishment. In the event of illness of the poor not only forgo their income, but have to disserve, borrow or rundown their asset for meeting hospitalization costs. Health insurance launched in 1986 the health insurance industry has down significantly mainly due to liberalization of economy.

STATEMENT OF PROBLEM

The purpose of this study is to find out the awareness, preference and buying pattern of health insurance, among rural people in Kakkur Grama Panchayath. Health insurance is viable solution to ensure access to basic Health care services to the masses. The number of people with health insurance coverage is low in our society. In our present study try to attempt find out the awareness and buying pattern of health insurance among rural people.

The private sector (for profit and not for profit) is the dominant sector with 50% of the people seeking indoor care and around 60 to 70% of those seeking ambulatory care (or outpatient care) from private health facilities. While India has made significant gains in terms of health indicators demographic, infrastructural and epidemiological. It continues to grapple with newer challenges. Not only have commu nicable diseases persisted over time but some of them like malaria have also developed insecticide-resistant vectors while others like tuberculosis are becoming increasingly drug resistant. HIV/AIDS has of late assumed extremely virulent proportions.

The 1990s have also seen an increase in mortality on account of non communicable diseases. This is with spiraling health costs, high financial burden on the poor and erosion in their incomes. Around 24% of all people hospitalization. An analysis of financing of hospitalization shows that large proportion of people; especially those in the bottom four income quintiles borrow money or sell assets to pay for hospitalization this situation exists in scenario where health care is financed through general tax revenue, community financing, out of pocket payment and social private health insurance schemes. India spends about 4.9% of GDP on health. The per capita total expenditure on health in India US$23, of which the per capita government expenditure on health is US$4. Hence, it is seen that the total health expenditure is around 5% of GDP, with breakdown of public expenditure (0.9%); private expenditure (4.0%). The private expenditure can be further classified as out-of-pocket (OOP) expenditure (3.6%) and employee/community financing (0.4). It is thus evident that public health has declined from 1.3% in 1990 to 0.9% as at present. Furthermore the central budgetary allocation for health (as a percentage of the total central budget) has been stagnant at 1.3% while in states it has declined from 7.0% to 5.5%

OBJECTIVE

To find out the effectiveness of health insurance among the rural people of Kakkur Grama Panchayath of Kozhikode district in Kerala.

FEATURES OF HEALTH INSURANCE

The main features of health Insurance are;

- Reimbursement for Hospitalization due to illness/disease/surgery.
- Reimbursement for Domiciliary Hospitalization expenses in lieu of Hospitalization
- Pre-hospitalization Expenses
- Post- hospitalization Expenses
- Cashless Access
- Income Tax benefit et

ANALYSIS OF DATA

A survey was conducted to find out the Health insurance coverage of people in Kakkur Grama Panchayath. The total population in Panchayath is 21057 (as per 2011 census), out of this 10170 are males and 10887 are females. We selected 50 persons as sample. The responses of the persons are given in table and diagrams. Necessary inferences are drawn from the analyzed data. Data interpretations are used to make findings and suggestions.

TABLE : 1 HEALTH AWRNESS OF PEOPLE

Parameters	No of Persons	Percentage
Yes	31	62%
No	19	38%

The condition of Health Insurance in Kakkur Grama Panchayath is not up to mark. Most of the respondent does not use Health Insurance to finance their medical health expenditure. These people pay money for their medical expenditure from their pocket. As a result many of the uninsured individuals either end up with poor quality health care or have to bear financial hardships.

NUMBER OF INSURED AND UNINSURED

Table: 2

Coverage of health insurance	Number of persons	Percentage
Number of persons Insured	31	62%
Number of persons Uninsured	19	38%
Total	50	100%

Out of the 50 respondents 31 persons took various types of health insurance policies.

OCCUPATION
TABLE 3

Category	Number of persons	Percentage
Salaried	7	14%
Pvt Employees	4	8%
Business	11	22%
Others	28	56%

From the data it is clear that Business community is (22%) is preferred health insurance than other salaried and Pvt occupied persons. But persons belong to other categories (coolie, agriculture labour, retail shop, self employees) are also preferring health insurance policies (56%).

DIFFERENT COMPANIES OF HEALTH INSURANCE POLICY
TABLE :4

TYPES OF COMPANY	NUMBER OF PERSON	PERCENTAGE
RSBY	16	51.61%
LIC	9	29.03%
HDFC	5	16.12%
ICICI	1	3.22%
Bajaj Alliance	0	0
Other Companies	0	0

The above table shows various companies areoffering health insurance. People preferred 5 types of health insurance companies such as LIC, HDFC, ICICI, and toBajaj Alliance and RSBY scheme. Majority of rural people prefer or take the RSBY policies followed by LIC.RSBY is health insurance offered by government. Its premium is very less.

PURPOSE OF HEALTH INSURANCE POLICY
TABLE :5

Parameters	Percentage
Health expenses recovery	44%
Tax benefit	21%
Recover for future uncertainty	33%

From the table it is clear that majority of people purchased health insurance policy for covering their health expenses. 44% people are owned policy for mounting expense of health. And 22% are purchase for health insurance for getting tax benefit and remaining 33% are purchase insurance for recover from future uncertainty.

AMOUNT OF PREMIUM
TABLE :6

Amount of Premium	Percentage
Below 1000	30%
1000 – 5000	35%
5000 – 10,000	25%
Above 10,000	10%

Majority of people are paying a premium ranging 1000 to 5000.

PAYMENT OF PREMIUM
TABLE :7

PAYMENT OF PREMIUM	PERECENTAGE
MONTHLY	20%
QUARTERLY	23%
HALFERLY	22%
ANNUALY	35%

Most of the people are choosing annual payment of premium (35%) than quarterly or monthly payment.

REASONS OF NOT CHOOSING HEALTH INSURANCE
TABLE :8

PARAMETERS	Percentage
It is too expensive	28%
It is hard to understand confusing	20%
Insurance is not important	5%
Do not have trust on any insurance company	16%
Employers sponsored is sufficient	23%

Respondents think health insurance is too expensive which hinder them from taking health insurance policies. Some people are thinking that it is very difficult to understand the terms and conditions of insurance companies. A small percentage of people have no faith in the insurance companies.

CONCLUSION

From this study we came to the conclusion that in Kakkur Grama Panchayath People are more aware of health insurance policy and they preferred purchasing it for meeting their medical expenses and also for covering risk. The middle income people are preferred health policies than others. Government sponsored RSBY make a tremendous change in the attitude of people living in rural area towards health insurance. People like to pay the health insurance premium annually. However people have some reluctance in taking health policies. They lack faith in private companies. The terms and conditions of many private companies are difficult to understand especially for the rural people.

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