HEALTHCARE INSURANCE: A STUDY ON TRIGGERING FACTORS AND CONTENTMENT TOWARDS THE POLICIES

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Abstract

Throughout history, people have always placed a high value on their well-being and safety, recognizing that life is unpredictable and can be fraught with risks. Modern lifestyles, characterized by poor dietary habits, workplace stress, and demanding family commitments, have contributed to the prevalence of lifestyle diseases worldwide. However, the growing importance of insurance is becoming increasingly evident, as it can provide essential financial protection against the financial impact of unexpected medical expenses. The traditional approach of "one for all or all for one" is no longer applicable in today's world. With advancements in technology, consumers are becoming more knowledgeable and demanding in their expectations of health insurance services. They can now easily compare and contrast various health insurance products and services. Thus the present study is conducted to know the triggering factors behind the purchase of health insurance policy, their level of satisfaction on various aspects of the health insurance policies. The study also focus on analyzing the challenges faced by the customers at the time of availing the policies.

Keywords: Insurance policy, Health, triggering factors, customers satisfaction.

INTRODUCTION

The health insurance industry in India is experiencing rapid growth due to several factors. One of the main reasons is the industry's improved customer service and standardization of procedures and definitions. This has led to the development of innovative and straightforward products that are easily understood by the public and have helped the industry to penetrate the market more easily. Additionally, there has been an increase in awareness about the benefits of health insurance, particularly in urban areas where medical costs have risen, and government schemes have become more popular. As a result, the authorities have taken several initiatives to further develop the health insurance sector. Likewise health insurance companies are also recognizing the need to adopt a consumer-centric approach in order to sustain and expand their business in the future. They have realized that providing quick, efficient, and effective service is crucial to retain existing customers and attract new ones. Therefore, delivering superior service quality has become a vital factor for achieving a competitive edge in the healthinsurance industry.

STATEMENT OF THE PROBLEM

The technological advancements and increased industrialization in India, which are the consequences of rapid expansion in the city, have caused environmental degradation, resulting in intricate health issues. However, due to higher literacy rates and media awareness, people are becoming more health-conscious and choosing to undergo regular health check-ups and investing in healthcare expenses. With healthcare costs rising in some areas, many individuals are buying health insurance policies to protect themselves from unexpected medical expenses. Despite significant consumer awareness about the importance of health insurance, their purchasing decisions are strongly influenced by various positive and negative perceptions. In this context, the present study attempts to analyse the various health factors influencing towards the health insurance, their level of satisfaction towards healthcare products and the study also attempts to analyse the problems faced by the policyholders after availing the health insurance policies.

OBJECTIVES OF THE STUDY

1. To study the triggering factors behind the purchase of health insurance policy.
2. To identify the customer level of satisfaction on various aspects of the health insurancepolicies.
3. To analyse the challenges faced by the customers at the time of availing the policies.

RESEARCH METHODOLOGY

The study was conducted for the period of 3 months. The survey is undertaken around Coimbatore city. Both primary and secondary data has been collected for this study. The primary data is collected through questionnaire method. Secondary data was collected from journals, magazines, internet and research articles. The size of sample is 150. For the purpose of the study , the purposive sampling technique has been adopted for the selection of respondents. The statistical tools used for the analysis are simple percentage analysis and descriptive statistics

ANALYSIS AND INTERPRETATION

TABLE 1- Demographic Profile

	Particulars	**No.of Respondents**	**Percentage**
Age	Less than 20 years	10	6.7
	21-40 years	97	64.7
	41-60 years	38	25.3
	Above 61 years	5	3.3
Gender	Male	71	47.3
	Female	79	52.7
Educational Qualification	School level	26	17.3
	Graduate	69	46
	Post graduate	41	27.3
	Professional	5	3.3
	Others	9	6
Type of Family	Nuclear family	124	82.7
	Joint family	26	17.3
Nature of Respondents	Student	28	18.7
	Private employee	56	37.3
	Government employee	3	2
	Business	32	21.3
	Professional	21	14.0
Monthly Income	Agriculture	10	6.7
	Less than Rs. 25000	45	30
	Rs. 25001- Rs. 50000	50	33.3
	Rs. 50001- Rs. 75000	46	30.7
	Above Rs.75000	9	6
Number of Family Members	1-2	4	2.7
	3-4	96	64
	5-6	40	26.7
	6 and above	10	6.7
Earning Members	One	46	30.7
	Two	63	42.0
	Three	25	16.7
	Above Three	16	10.7
Area of Residence	Urban	73	48.7
	Semi-urban	77	51.3

Source primary data

Interpretation

        From the above table it is inferred that 64.7 per cent of the respondents are in the age group between 21 to 40 years, 52.7 percent of the respondents are female, 46 per cent of the respondents are graduates, 82.7 per cent of the respondents belong to nuclear family, 37.3 per cent of the respondents are private employee and 33.3 per cent of the respondent's family monthly income is between Rs.25,001 to Rs. 50,000. It is clear that 64 per cent of the respondents have 3 to 4 family members, 42 per cent of the respondents have 2 earning members in their family and 51.3 percent of the respondents belong to semi-urban area.

Table 2- Insurance Related Information

	Particulars	No.of Respondents	Percentage
Number of insured members in the family	One	14	9.3
	Two	33	22
	Three	34	22.7
	Four	54	36
	More than 4	15	10
Type of health insurance covered	Individual	59	39.3
	Family floater health policy	44	29.3
	Group health policy	47	31.3
Total sum insured under yourhealth policy	Up to Rs. 2,00,000	38	25.3
	Rs. 2,00,001-Rs.5,00,000	52	34.7
	Rs.5,00,001-Rs. 10,00,000	52	34.7
	Rs. 10,00,001-Rs.15,00,000	8	5.3
Total premium paid perannum for the family	Less than Rs.10000	39	26
	Rs.10001-Rs.20000	58	38.7
	Rs.20001-Rs.30000	45	30
	Above Rs.30000	8	5.3
Period of availed health insurance policy	1 year	15	10
	2-3 years	30	20
	4-5 years	27	18
	Above 5 years	78	52
Type of Insurance sector	Private sector insurance company	105	70
	Public sector insurance company	45	30

Utilization of claims of health insurance	Once	84	56
	Twice	38	25.3
	More than twice	28	18.7

Source primary data

From the above table it is clear that 36 per cent of the respondents have 4 insured members in their family, 39.3 per cent of the respondents have opted individual health insurance, 34.7 per cent of the respondents had a total sum insured between both Rs.2,00,001 to Rs. 5,00,000 and Rs. 5,00,001 to 10,00,000, 38.7 per cent of the respondents pay a total premium between Rs.10,001 to Rs. 20,000 per annum, 52 per cent of the respondents have availed health insurance policy for more than 5 years,70 percent of the respondents have private company insurance and it is clear that 56 per cent of the respondents have claimed only one time against their policies

DESCRIPTIVE STATISTICS

TABLE: 3 TRIGGERING FACTORS TO PURCHASE THE POLICIESIN HEALTH INSURANCE

Triggering factors to purchase the policies in health insurance	Mean	Std. Deviation
Covers future uncertainty	4.77	0.50
To meet the exorbitant medical expense	4.15	0.58
To avoid unpredictable and unforeseen risk in life	4.13	0.88
Availing good quality medical treatments	4.03	0.89
To protect from raising cost of healthcare	3.99	1.06
Cost of treatment in private hospital is high	3.85	0.97
Cashless treatment options	3.65	1.14
To enjoy tax benefits	3.15	1.41
Claim for treatment outside India	3.38	1.27
Easy procedure in hospital connectivity	3.45	1.13
Claim process are smooth / hassle free	3.45	1.07
Convenient renewal system / clauses	3.53	1.20

(Source: Primary Data)

From the above table 4.24, the descriptive statistics for the triggering factors to purchase the policies in health insurance are analysed. The highest mean score is 4.77 found for 'covers future uncertainty', followed by the mean score of 4.15 found for 'to meet the exorbitant medical expense'. The least mean score is 3.15 found for 'to enjoy tax benefit', followed by the mean score of 3.38 found for 'claim for treatment outside India.

TABLE 4 : LEVEL OF SATISFACTION TOWARDS POLICIES OF HEALTH INSURANCE COMPANIES

Level of satisfaction towards policies of health insurance companies	Mean	Std. Deviation
Health insurance policy package in meeting hospitalization expenses	4.64	0.58
Advice in insurance agents in selection of policy	4.19	0.74
Timely settlement of claim by insurance companies	4.17	0.83
Service of online payment facility of premium	3.88	0.88
Cashless service offer facility of the hospital	3.86	1.03
Co-ordination between hospitals and insurance companies	3.90	0.97
Responsibility attitude of agents in answering the questions of clients	3.78	1.06
Doorstep service of agents in the collection of premiums	3.65	1.07
Claim (amount) settlement of insurance companies	3.77	1.13

(Source: Primary Data)

From the above table 4.25, the descriptive statistics for the Level of satisfaction towards policies of health insurance companies are analyzed. The highest mean score of 4.64 is found for 'Health insurance package in meeting hospitalization expenses', followed by the second mean score of 4.19 is found for 'Advice from insurance agents in selection of policy'. The least mean score of 3.65 is found for 'Doorstep service of agents in the collection of premiums' followed by mean score of 3.77 is found for 'Claim (amount) settlement of insurance companies'.

TABLE 5: CHALLENGES CONFRONTING TOWARDS HEALTHINSURANCE POLICIES

Challenges confronting towards health insurance policies	Mean	Std. Deviation
Rigid procedure for claim settlement	3.39	1.65
Delay in operations in providing services	3.21	1.26
Delay in payment to hospital	2.91	1.31
Unnecessary queries at the time of claim settlement	2.85	1.30
Complex terms used in the documentation	2.87	1.35
Improper response of executives of health insurance company	2.83	1.24
High commission charges	2.91	1.33
Delay in payment of claims	3.12	1.18
Agents failed to provide adequate explanation of the health problems	3.10	1.33

(Source: Primary Data)

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The highest mean score of 3.39 is found for 'Rigid procedure for claim settlement', followed by the second mean score of 3.21 is found for 'Delay in operations in providing services. The least mean score of 2.83 is found for 'Improper response of executives of Health Insurance Company.

TABLE: 6: ANOVA– DEMOGRAPHIC VARIABLES AND TRIGGERING FACTORS TO PURCHASE THE POLICIES IN HEALTHINSURANCE

Null Hypothesis (H_0): There is no significant correlation between the triggering factors to purchase the policies in health insurance and Challenges confronting towards of health insurance policies.

		Sum of Squares	df	Mean Square	F	Sig.
Age	BetweenGroups	18.701	27	.693	2.130	.003
	WithinGroups	39.672	122	.325		
	Total	58.373	149			
Level of education	BetweenGroups	38.417	27	1.423	1.556	.055

	WithinGroups	111.557	122	.914		
	Total	149.973	149			
Occupational status	BetweenGroups	141.555	27	5.243	1.374	.125
	WithinGroups	465.618	122	3.817		
	Total	607.173	149			
No. of members inthe family	BetweenGroups	10.006	27	.371	.852	.677
	WithinGroups	53.087	122	.435		
	Total	63.093	149			
Monthly income	BetweenGroups	37.402	27	1.385	1.938	.008
	WithinGroups	87.192	122	.715		
	Total	124.593	149			

(Source: Primary data)

The results indicate that age has a significant difference with triggering factors to purchase policies, as the F-value is 2.130 and the significance level is .003, which is less than the threshold of .05. Similarly, monthly income is significantly different with triggering factors, as the F-value is 1.938 and the significance level is .008. However, level of education and occupational status do not show a significant difference with triggering factors, as the significance level for both variables is greater than .05. The number of members in the family also does not show any significant difference.

In conclusion, the study suggests that age and monthly income are important demographic variables that have difference with triggering factors to purchase health insurance policies.

TABLE 7 :ANOVA– DEMOGRAPHIC VARIABLES AND SATISFACTION OF POLICIES TOWARDS HEALTH INSURANCECOMPANIES

Null Hypothesis (H$_0$): There is no significant correlation between the Challenges confronting towards of health insurance policies and Satisfaction to policies of health insurance companies.

		Sum of Squares	df	Mean Square	F	Sig.
Age	Between Groups	13.358	22	0.607	1.713	0.034
	WithinGroups	45.015	127	0.354		

	Total	58.373	149			
Level of education	Between Groups	27.943	22	1.27	1.322	0.17
	WithinGroups	122.03	127	0.961		
	Total	149.973	149			
Occupationalstatus	Between Groups	87.334	22	3.97	0.97	0.506
	WithinGroups	519.84	127	4.093		
	Total	607.173	149			
No. of membersin the family	Between Groups	5.801	22	0.264	0.585	0.928
	WithinGroups	57.292	127	0.451		
	Total	63.093	149			
Monthly income	Between Groups	20.585	22	0.936	1.143	0.312
	WithinGroups	104.008	127	0.819		
	Total	124.593	149			

(Source: Primary data)

The ANOVA results indicate that age and monthly income are statistically significant, with p-values of 0.034 and 0.008, respectively. This means that there is a significant difference between age and monthly income and satisfaction with policies of health insurance companies. However, level of education and occupational status are not statistically significant, with p-values of 0.170 and 0.506, respectively. This means that there is no significant difference between level of education and occupational status and satisfaction with policies of health insurance companies. The number of members in the family is also not statistically significant, with a p-value of 0.928.

TABLE 8: CORRELATION– TRIGGERING FACTORS TO PURCHASE THE POLICIES IN HEALTH INSURANCE AND SATISFACTION OF POLICIES TOWARDS HEALTH INSURANCE COMPANIES

Null Hypothesis (H$_0$): There is no significant correlation between the triggering factors to purchase the policies in health insurance and Satisfaction to policies of health insurance companies.

		Triggering factors to purchase the policies in health insurance	Satisfaction to policies of health insurance companies
Triggering factors to purchase the policies in health insurance	Pearson Correlation	1	.473**
	Sig. (2-tailed)		.000
	N	150	150
Satisfaction to policiesof health insurance companies	Pearson Correlation	.473**	1
	Sig. (2-tailed)	.000	
	N	150	150
**. Correlation is significant at the 0.01 level (2-tailed).			

(Source: Primary data)

The above table represents the correlation analysis between the triggering factors to purchase the policies in health insurance and the satisfaction to policies of health insurance companies. In this case, the correlation coefficient between the triggering factors to purchase the policies in health insurance and the satisfaction to policies of health insurance companies is 0.473. The correlation is significant at the 0.01 level, which means that there is a significant positive correlation between the two variables. This indicates that there is a relationship between the triggering factors that influence the purchase of health insurance policies and the satisfaction level of policyholders with their insurance companies. Therefore, the null hypothesis is accepted.

SUGGESTIONS

- To encourage individuals in low-income brackets to enroll in health insurance, the government can provide subsidies and promote the idea of signing up for coverage.
- The insurance companies should implement measures to simplify the claims settlement process for their customers.
- To enhance market growth and minimize customer dissatisfaction, insurance providers should launch a comprehensive awareness campaign utilizing all available media channels and focusing on educating customers about the terms that are relevant to the health insurance policies.
- Insurance companies can increase the effectiveness of their health insurance schemes by offering

greater incentives to insurance agents, as research shows that agent's information and advice holds more influence that the marketing and advertising effortsof the health insurance companies.

CONCLUSION

The preference of customers shifting, and a multitude of factors that cause specific circumstances influence people's purchasing habits all over the world. In India, city dwellers are the main target of healthcare and private health insurance is becoming more common as a result of the rise of private clinics and the consequent rise in healthcare expenses. Every new health insurer in the market today distributes through one or more alternative sales methods, guaranteeing that both rural and metropolitan people can obtain health insurance products. Private companies are no longer exclusively or primarily dependent on the agent network, which has created a number of new avenues for distribution, such as telemarketing, direct marketing, corporate agents and development officers and online. The degree of customer satisfaction, awareness and mindfulness level with regard to the medical coverage business are taken into consideration when approving the advancement of protection.

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