A STUDY ON KNOWLEDGE, ATTITUDE AND PERCEPTION OF ADULTS OF AGE 18-60 YEARS ON HEALTH INSURANCE

Dissertation Submitted to

The IIHMR University, Jaipur

for the partial fulfilment for the award of the degree of

Master of Business Administration (MBA)

in

Hospital and Health Management

by

Abirami Kumaran

Under the Supervision and Guidance of

Dr. Monika Chaudhary

2022

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DECLARATION BY STUDENT

I hereby declare that this dissertation titled: A Study on Knowledge, Attitude and Perception of Adults of age 18-60 Years on Health Insurance is the bonafide record of my original research work. I declare that it has not been submitted to any other university or institution for the award of any degree or diploma. Information derived from the published or unpublished work of others has been duly acknowledged in the text.

Abirami Kumaran

Date: 04-07-2022

CERTIFICATE

This is to certify that Ms. Abirami Kumaran in partial fulfillment of the requirements for the award of the degree of MBA (Hospital and Health Management) from the IIHMR University, Jaipur has successfully completed her internship at Reliance General Insurance during March 25th 2022 to June 17th 2022.

Place: Mumbai	Health Underwriting Head,
Date: 04-07-2022	Reliance General Insurance

CERTIFICATE

This is to certify that dissertation titled A Study on Knowledge, Attitude and Perception of Adults of age 18-60 Years on Health Insurance is a record of the research work undertaken by Abirami Kumaran in partial fulfillment of the requirements for the award of the degree of MBA (Hospital and Health Management) from the IIHMR University, Jaipur under my guidance and supervision and her approach to the research study has been sincere, scientific, and analytical.

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Date: 04-07-2022

ABSTRACT

Title- A Study on Knowledge, Attitude and Perception of adults of age 18-60 years on Health Insurance

Name of author- Abirami Kumaran

Background- Health plays a major role in our life and in this pandemic situation health insurance is the backbone to face the financial crisis. Health insurance helped many insured people to pay the hospital bills. In 1986 when the Indian government launched the first health insurance coverage that is “Mediclaim”, where the minimum and maximum health coverage for the people are INR 15,000 and INR 5,00,000. The minimum sum insured for the public sector insurance companies are INR 50,000, but for the private insurance sector it is INR 1,00,000. Today there are many online health insurance policies are also been implemented and the minimum sum insured is INR 3,00,000. Third party administrators are the link between the insurance companies and hospitals for all the cashless facilities on the health products. IT sector contributed a lot in the growth for health insurance in India and the large number of policies are sold. In rural areas there is lack of information about the health insurance products.

Objectives- To assess the knowledge, attitude, and perception of adults of age group 18-60 years towards health insurance and give relevant recommendations.

Methodology- The study is based on primary data collected through online questionnaire. A total of 223 participants were involved in the study. The population sample included were in the age group of 18-60 years and the sampling method applied was convenience sampling. The responses were collected with the informed consent of the respondent.

Results- The results showed that most of the participants are well know about the health insurance, 88% of participants have their health insurance coverage. 78% participants feels that the insurance is a risk management tool to help in the difficult situation. Participants felt to raise the awareness regarding the importance of health insurance. Around 39.9 % participants ranked 4 out of 5 in priority of health insurance.

Conclusion- There is a need to raise awareness on health insurance and to explain the different policies that are there in the market. Action plans to improve the health insurance status. People from rural areas who do not have access to know the details about health insurance policies.

ACKNOWLEDGEMENTS

My abundance of gratitude to all of them who helped me to finish this project successfully. I thank Dr. Monika Chaudhary (Associate Professor, Faculty Mentor, IIHMR University Jaipur) as a mentor to guide me in each and every step of my project.

My sincere thanks to Reliance General Insurance (Mumbai) for giving me the knowledge about health insurance.

Special thanks to my project mentor Mr. Vijayakumar Pal (Health Underwriting Head) for guiding me throughout the project and for providing me an opportunity to do my internship at their esteemed organization.

Lovable thanks to all the staff members of Reliance General Insurance (Mumbai) for providing all the information of the process flow and motivated me to learn a lot from the organization.

Last but not the least, gratitude to my family and friends for supporting in all the situations and helped me to complete this project.

Abirami Kumaran

MBA Hospital and Healthcare Management

IIHMR University, Jaipur

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Chapter 1: INTRODUCTION –

As we all know health is wealth and in this pandemic situation it taught us how important our health. Many people struggled a lot to recover from both physically and financially also. In India many people don't have awareness about the importance of health insurance. So, this pandemic has triggered to take health insurance to avoid financial crisis. Health insurance are the big supporters to face the financial difficulties.

Insurance is defined as contract represented like a policy in which an individuals or family receives financial protection. There are different types of insurance like motor, fire, health, life, property, marine, etc.

In detail about health insurance, it covers the insured for several Healthcare expenses as per the policy and sum insured of the member. So, what are the coverages in health insurance are hospital expenses in accident hospitalization, illness related to hospitalization, ICU room rent are also been covered.

Apart from this pre and post hospitalization charges are also covered in the policy. In additional they cover day care procedures and refill the sum insured when sum insured exhausted in their policy. Ambulance charges are also been provided to the policy holder. Maintain good health with complementary health checkups in few policies.

Some of the principles of insurance are insurable interest it is that we benefit in their existence and suffer from its loss. E.g., We can ensure our family but not our friend's family for the loss. Utmost good faith is the honesty between the insurer and the insured person. E.g., if we have an illness then before applying for insurance you must disclose the illness to insurance company. These principles are important to make a policy and should be followed by the insurer and insured.

Health underwriting is to analyze the risk and decide whether to accept the risk or not. The next step is to calculate the premium according to the risk category of the group with terms and conditions. Policy period varies for each product for group Mediclaim it is for 1 year, group personal accident policy its for 1 year and workman compensation is for 6 months.

Terms and conditions of the policy are customized by the insured according to their choices, basic features are mandatory and in additional benefits the insured to pay some additional amount to get the additional benefit from the policy.

1.1 AIM

The aim of this study is to access the knowledge, attitude and perception of adults of age 18-60 years regarding the health insurance which help the policy makers to plan and customize the health insurance according to policy holder's choice and educate the people about the importance of health insurance to avoid financial difficulties.

Chapter 2: REVIEW OF LITERATURE-

S.NO	YEAR AND AUTHOR	STUDY LOCATION	SAMPLE SIZE	SALIENT FEATURES
1.	2019 Shankar prinja	India	62335	Health insurance helps in the financial risk protection. This study was cross sectional and hospitalization rate was considered to do the research. Type of insurance scheme and insurance status helped in the process of claim processing.
2.	2019 S. Mkrtychev, O. Enik	Russia	Data	Underwriting is one of the business processes of the insurance company. Human factor helps to risk identification and analyze the risk. Then decision making is done to whether accept the risk or decline the risk. To increase the productivity of the work, it can be done by automated work and save the time. Author implements the automated underwriting control in a regional insurance company.
3.	2017 Muttai.K. Joram Bii K. Harrison and Kiplang	Kenya	Data	It is a qualitative study to analyze the life insurance underwriting process and enhance the knowledge-based system. This study focusses on the models to support the process and design. On daily basis input and output factors are analyzed in the study.

4.	2017 Anup karan, Gunjeet kaur, Rajesh Kumar	India	Articles	This research was done in two stages of screening PRISMA guidelines in which researchers assessed the suitability and quality of the studies. Utilization of healthcare can be improved who are enrolled on the health scheme and have resulted in the higher financial risk protection to the people. There is a impact on health outcome and reduction in mortality.
5.	2020 Madan Mohan Dutta	India	Data	The findings from the research paper is to indicate the significant relationship between the two component that is the earned premium and underwriting loss. There is earnings of the sector so growing at compound annual growth rate of 27% in underwriting profit. In total of 29% insurance premium income earned in India.
6.	2018 Dayashankar Maurya, M. Ramesh	India	Data	Focusing on program design and its impact on national health insurance. The study is done to find the unavoidable gaps in design of health care program from different stakeholders. Comparative study of three states of the program.
7.	2017 Manmeet kaur	India	Population	The study explains the reason for increase in healthcare cost that are socio demographic, economic and epidemiological transition. There is increase in out-of-pocket expenditure to access the healthcare. Government health insurance schemes have the objective of ensuring the equity, efficiency and quality in healthcare.

2.1 OBJECTIVES –

1) To assess the knowledge of the people regarding the health insurance.

2) To assess the attitude of people towards the health insurance that are available.

3) To assess the perception of people regarding the experience of having the health insurance policies.

Chapter 3: METHODOLOGY-

3.1. RESEARCH QUESTION – What is the knowledge, attitude and perception of adults of age 18 – 60 years regarding the health insurance.

3.2. RESEARCH DESIGN – Cross sectional, descriptive type of study.

3.3. SETTING – Online survey using Google form was forwarded through means of Email, WhatsApp and other social media platforms.

3.4. STUDY POPULATION- Inclusion criteria – people from general population who are in the age group of 18 – 60 years.

Exclusion criteria- Children and old age population.

3.5. RESEARCH PROCEDURE APPLIED-

The survey contains following section

The first section of questionnaire included the sociodemographic details like gender, age, residence and their education status. To ensure anonymity participant names and other personal details were not included, after providing their consent to proceed with the survey, they were directed to start their survey. The second section contained 5 questions with multiple choices on the general knowledge of the participants regarding the importance of purchasing health insurance. To know about how they receive the insurance and how long have been associated with the policy. If they don’t have the insurance then knowing the reason for not having. The third section included 10 questions based on modified 5-point Likert scale regarding the attitude towards health insurance. The reason to get the health insurance and information necessary to take decision on health insurance. The final section included 6 questions that focused on the perception on health insurance, whether it is a risk management tool, they prefer to renew it or recommend people to get health insurance and level of satisfaction with the current health insurance carrier. The questionnaire was developed with the help of literature review of earlier research papers on health insurance.

3.6. DURATION OF STUDY – 25th March to June 17th 2022

3.7. SAMPLE SIZE- 223

3.8. SAMPLING TECHNIQUE – Convenience Sampling

3.9. RESEARCH INSTRUMENT – The tool was constructed based on the research objectives, review of literature and guidance of experts.

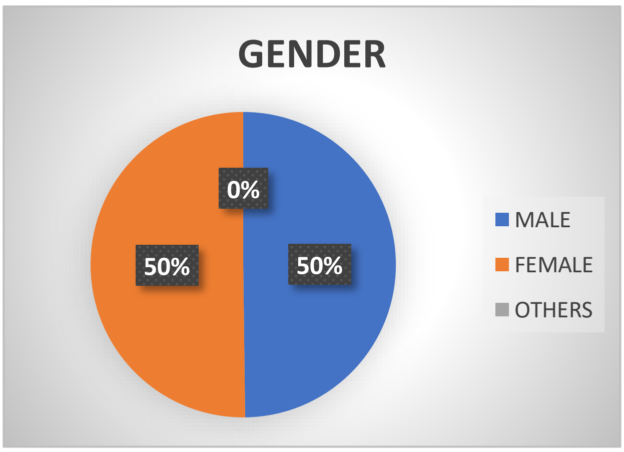
3.10. ETHICAL CONSIDERATIONS – All respondents were informed about the research study and only after their consent responses were collected. Participants were assured of the reliability and confidentiality of the data.

Chapter 4: RESULTS-

The study was conducted through an online survey. Around 225 responses were recorded. All the respondents belong to the age group of 18-60 years. Out of the 225 responses received 223 participants opted to take part in the survey.

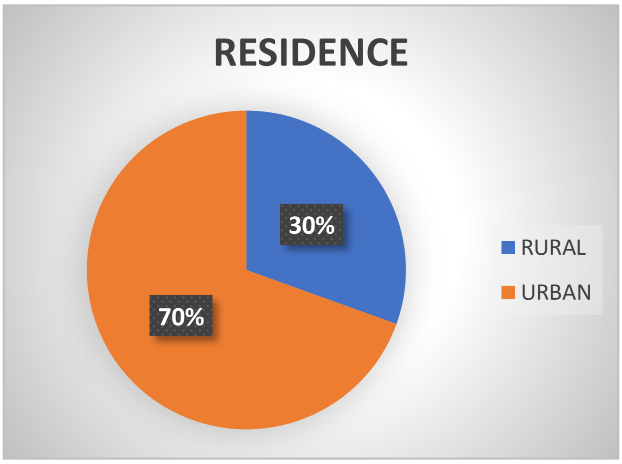
Socio- Demographic Status: The socio-demographic status reflects the gender, age, residence and their education level of the respondent has been analysed through the graphs below:

(Fig 1)



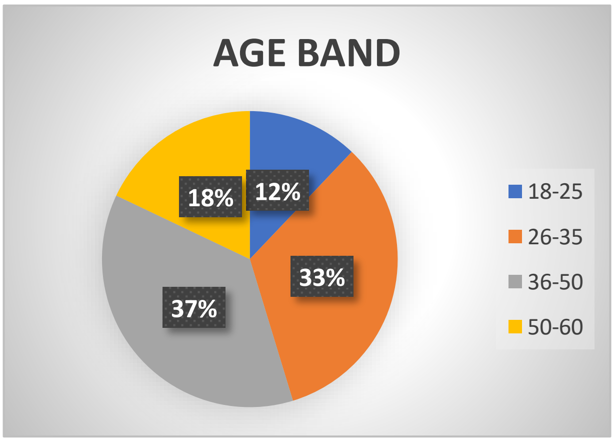
Among the 223 respondent 50.2% (112) were female and 49.8% (111) were male.

(Fig 2)



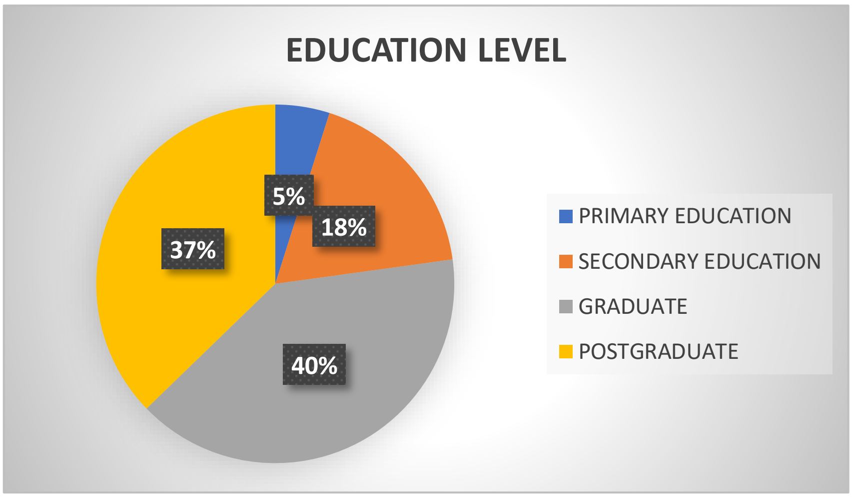
69.5% (155) respondents are from Urban background and 30.5% (68) respondents are from rural background.

(Fig 3)



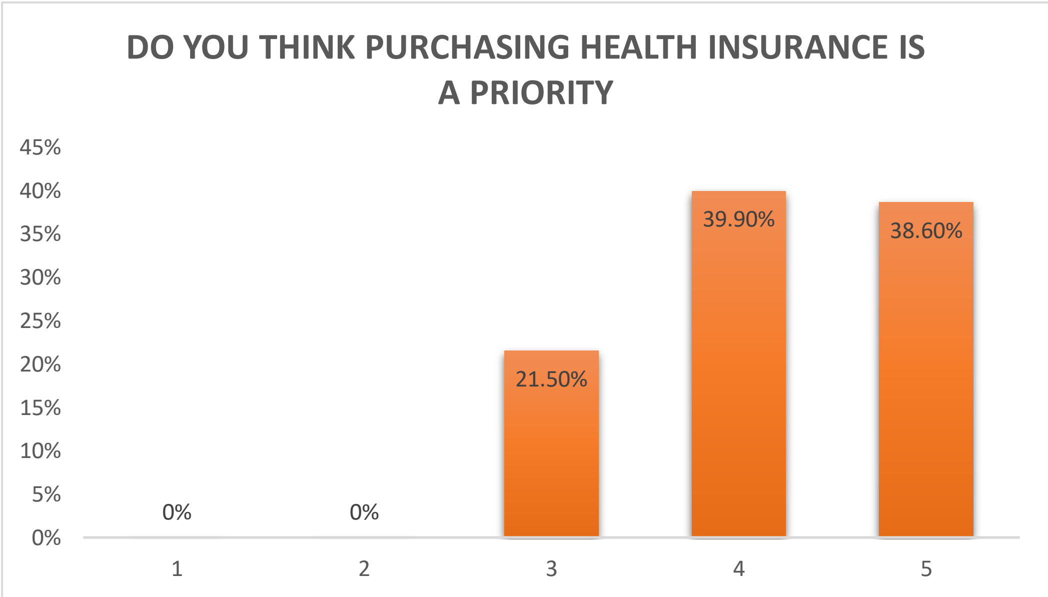
12% (27) respondents are in the age band of 18-25, 33% (74) respondents are in the age band of 26-35, 37% (82) respondents are in the age band of 36-50 and 18% (40) respondents are in the age band of 50-60.

(Fig 4)



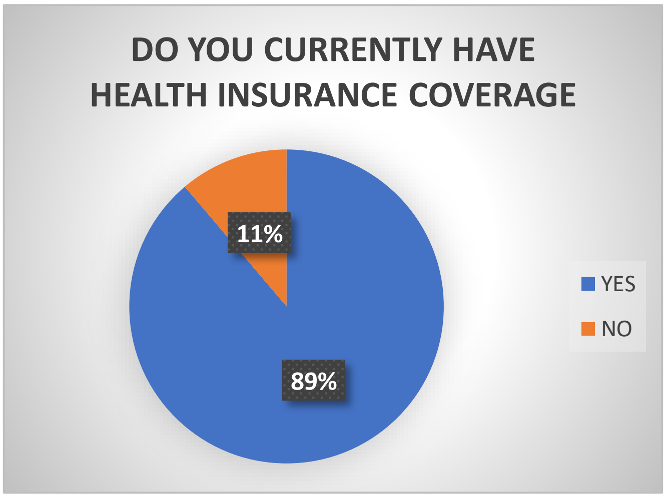
This pie chart explains the educational qualification of the participants 39.9% (89) are graduate, 37.2% (83) are post-graduates, 17.9% (40) are secondary education and 4.9% (11) are primary education. So, most of the respondents are graduates and well know about the health insurance coverage.

(Fig 5)



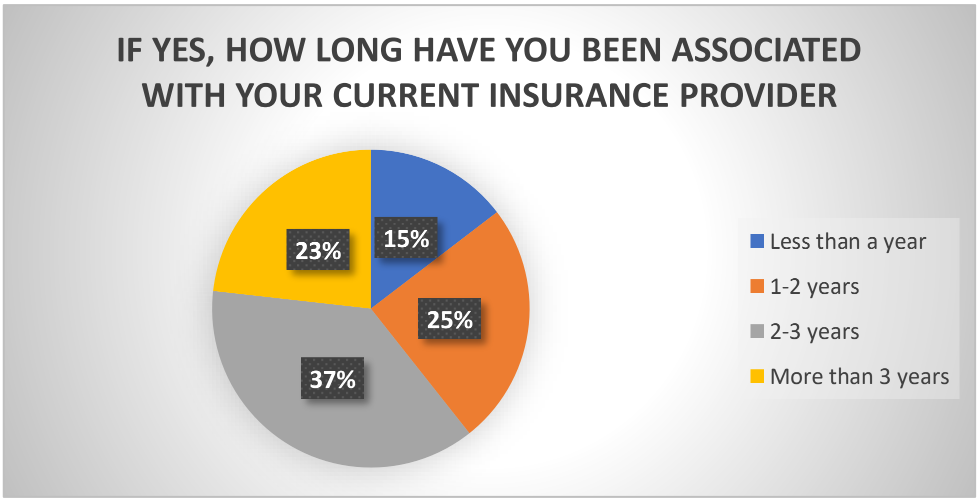
From the above pie chart 38.6% (86) have selected that health insurance is in their high priority list that is 5 in the Likert scale. Respondent who selected 4 out of 5 in Likert scale are 39.9% (89). Only 21.5% (48) have selected 3 out of 5 in the Likert scale. It's happy to know that most of the respondents take their health insurance in their top priority list of scale 4.

(Fig 6)



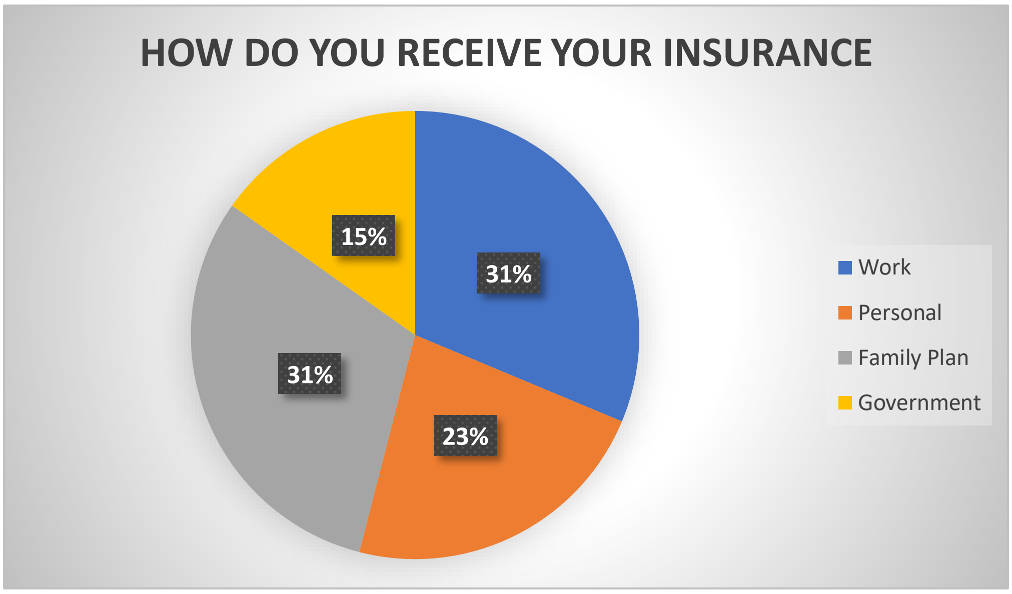
A very positive response from the respondent that is 88.8% (198) are having their health insurance coverage and only 11.2% (25) respondent does not have the insurance coverage. So most of the respondent have awareness and knowledge about the health insurance coverage.

(Fig 7)



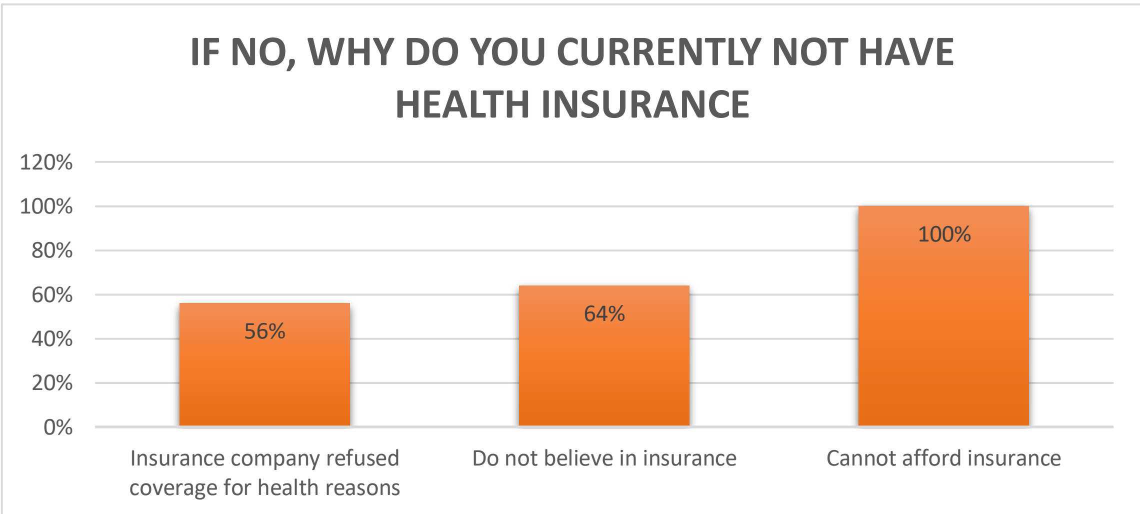
All the respondents who have their health insurance coverage have answered this question, in how long they have been associated with their insurance provider in that 37.4% (74) respondents have their health insurance coverage for 2-3 years, 24.7% (49) respondents have their health insurance for 1-2 years, 23.2% (46) respondents have their health insurance for more than 3 years and only 14.6% (29) respondents have it for less than a year. Due to COVID pandemic many got the awareness and invested in their health insurance coverage.

(Fig 8)



This pie chart explains about how the respondents receive their health insurance coverage in that 31.3% (62) receive it from work, 30.8% (61) are from family plan health insurance coverage, 22.7% (45) are from personal health insurance coverage, 15.2% (30) are from government health insurance schemes. So, most of them are getting their health insurance coverage from work.

(Fig 9)

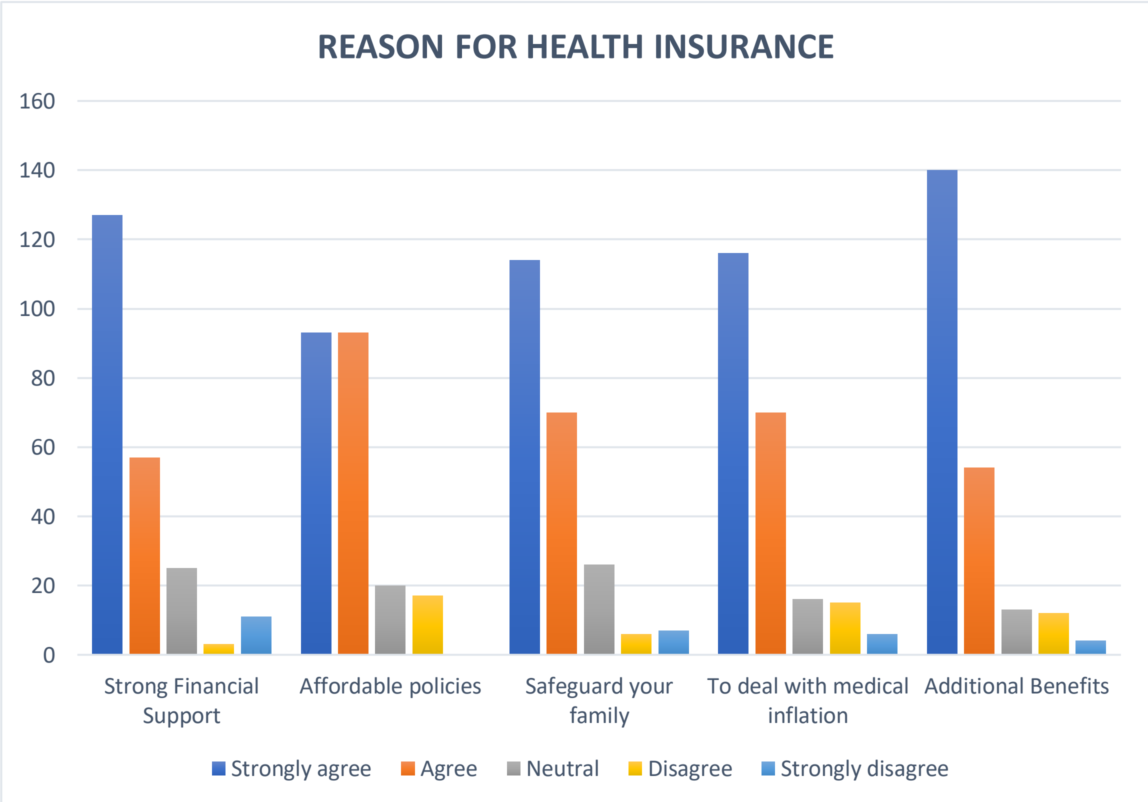


Respondents who do not have their health insurance coverage have answered this question so 25 respondents do not have their any kind of health insurance coverage and they have filled out the reasons for not having the health insurance. 100% (25) respondents filled that they cannot afford health insurance, 64% (16) have filled that they do not believe in investing the health insurance coverage, 56% (14) have replied that insurance company have refused to give the health insurance coverage to them.

Reason for health insurance	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Strong Financial Support	127	57	25	3	11
Affordable policies	93	93	20	17	-
Safeguard your family	114	70	26	6	7
To deal with medical inflation	116	70	16	15	6
Additional Benefits	140	54	13	12	4

Table 1.1: This table explains the number of respondents perception on reason for buying the health insurance.

(Fig 10)

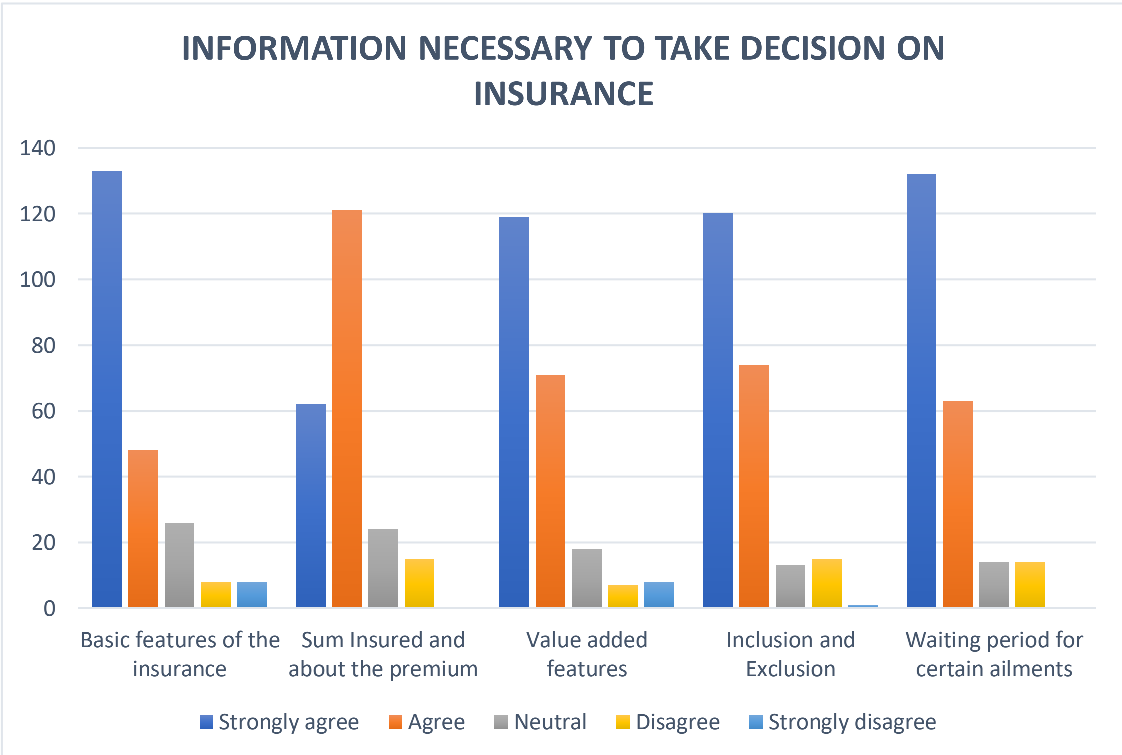


To assess the attitude on reason buying the health insurance coverage are into Strong financial support, Affordable policies, safeguard your family, to deal with medical inflation and additional benefits.

Information necessary to take decision on insurance	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Basic features of the insurance	133	48	26	8	8
Sum Insured and about the premium	62	121	24	15	-
Value added features	119	71	18	7	8
Inclusion and Exclusion	120	74	13	15	1
Waiting period for certain ailments	132	63	14	14	-

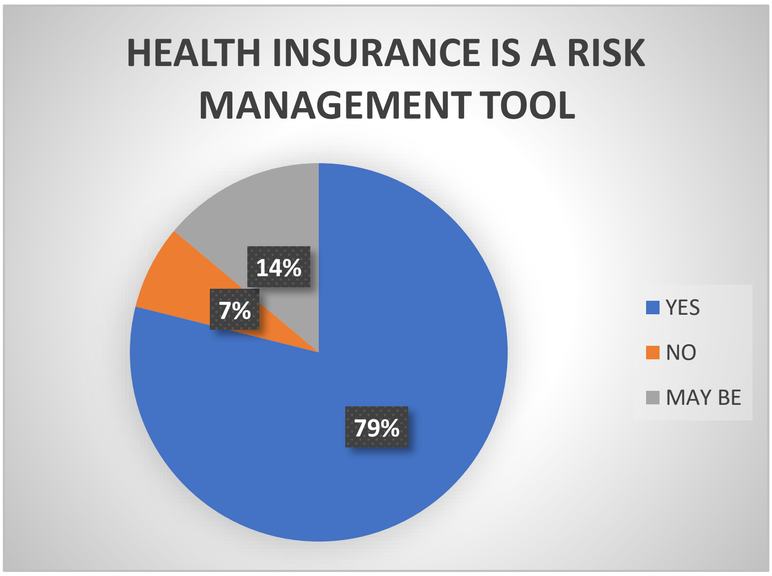
Table 1.2: This table explains the number of respondents perception on information necessary to take decision on insurance.

(Fig 11)



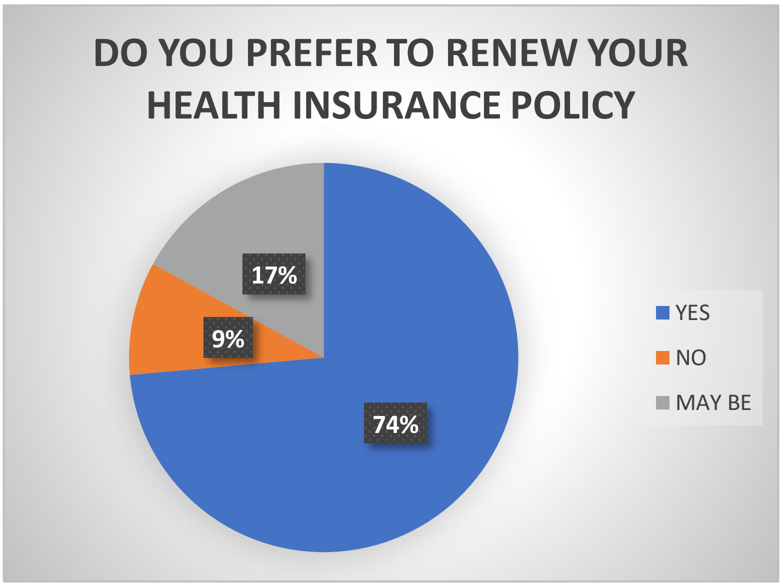
To assess on what are the information needed to take decision on getting the health insurance are basic features of the insurance, sum insured and about the premium, value added features, inclusion and exclusion and waiting period for certain ailments.

(Fig 12)



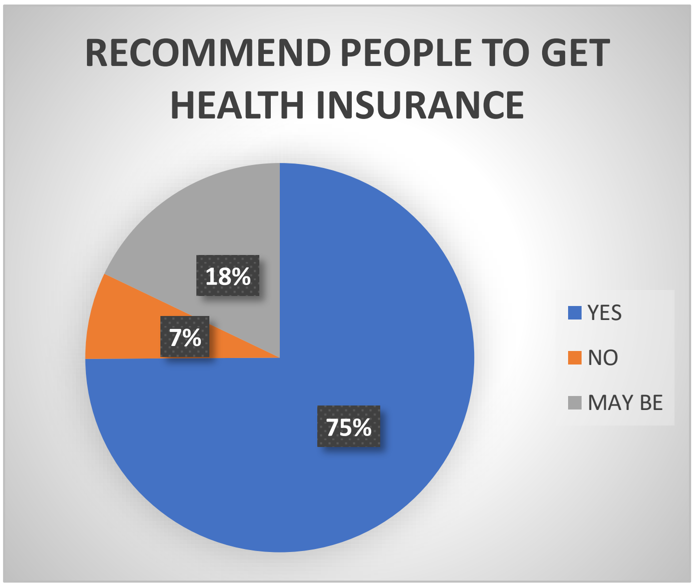
Health insurance is a risk management tool and 78.9% (176) have agreed yes that it is a risk management tool, 13.9% (31) have selected maybe it is a risk management tool. Only 7.2% (16) have selected no that it is not a risk management tool.

(Fig 13)



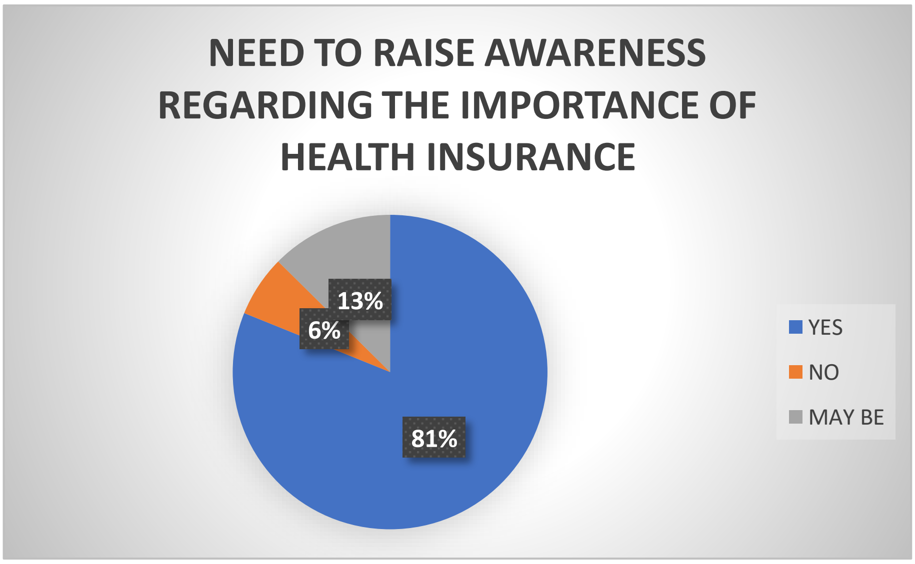
For renewing the health insurance policy only 73.5% (164) are keen to renew their health policy, 17% (38) are in dilemma to renew their health insurance policy and only 9.4% (21) are not willing to renew their health insurance policy.

(Fig 14)



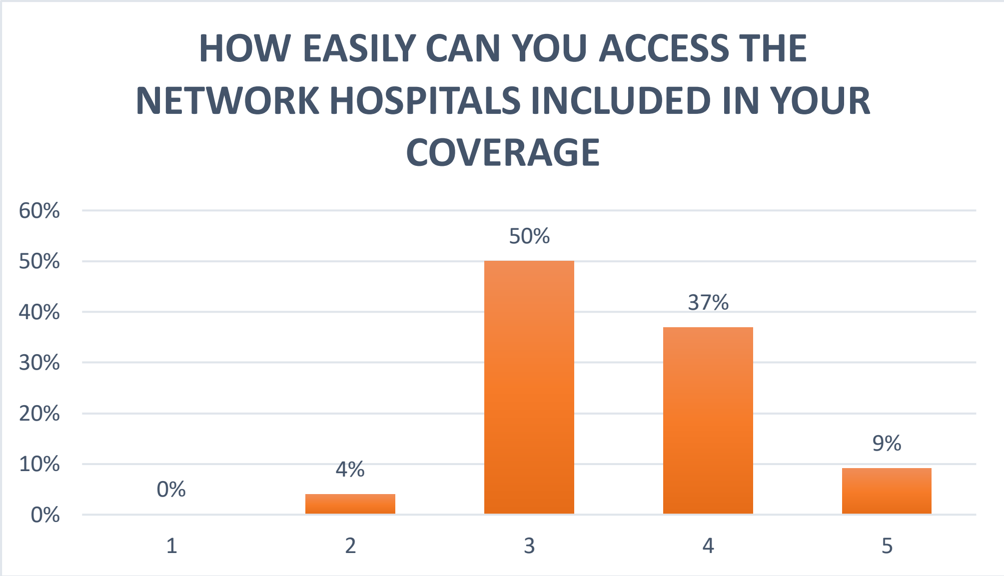
The perception of respondents on recommending the health insurance to the people. That is 74.9% (167) recommend people to get the health insurance, 17.9% (40) respondents have selected maybe on recommending the health insurance, only 7.2% (16) are not happy to recommend the health insurance policy.

(Fig 15)



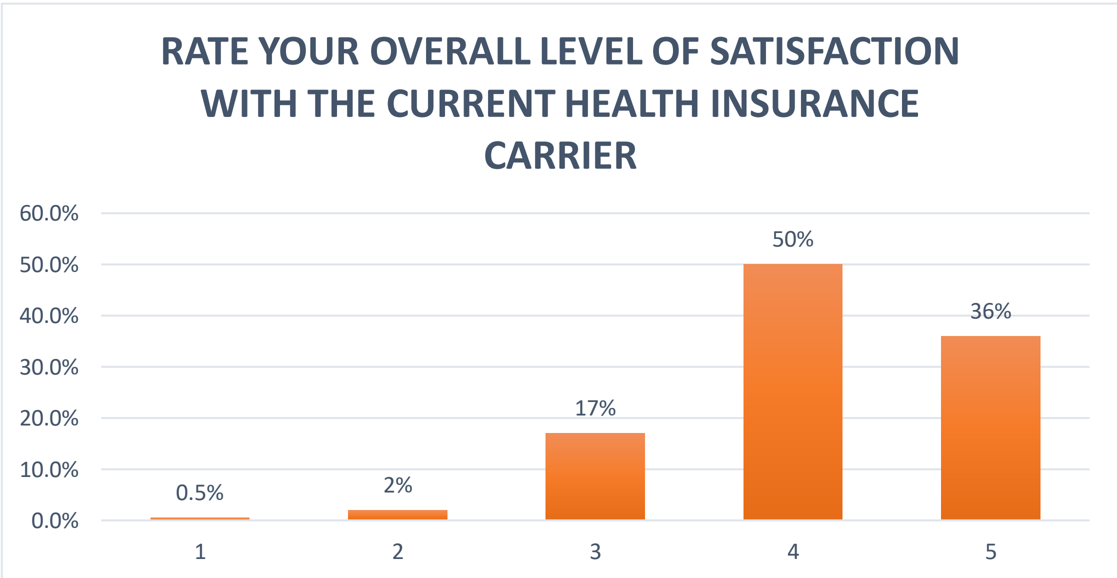
Perception on raising awareness regarding the importance of health insurance around 81.2% (181) respondents are agreeing to raise the awareness, 12.6% (28) have selected Maybe and only 6.3% (14) respondents are not agreeing to raise awareness on the importance of health insurance.

(Fig 16)



Feedback regarding the network hospitals included in the health insurance coverage 50% (99) have selected 3 out of 5 in Likert scale, 36.9% (73) have selected 4 out of 5 in Likert scale, 9.1% (18) have selected 5 out of 5 in Likert scale, only 4% (8) have very less satisfaction on access the network hospital.

(Fig 17)



This graph explains the overall satisfaction on current health insurance, 44.9% (89) have selected 4 out of 5 in the Likert scale, only 35.9% (71) have selected 5 out of 5 in the Likert scale, 16.7% (33) have selected 3 out of 5 in the Likert scale and 2% (4) have selected the least of 2 out of 5 in the Likert scale.

Chapter 5: DISCUSSION-

This study helps to understand the knowledge, attitude and perception of adults of age 18-60 years on health insurance, this focus and helps people to understand the importance of health insurance. As pandemic have taught a lesson how health insurance helps in the financial difficult situations. People with health insurance have been on the safer side of their finance but on the other side of the situation where people don't have health insurance suffered a lot by financially. Medical inflation was high in the pandemic situation and lack of resources results in high cost of treatment. From the survey 89% have their health insurance and 11% do not have their health insurance coverage. Almost 39% people think that it is important and necessary to purchase health insurance to help on the financial tough situation. To buy a health insurance policy there are many factors to consider take decision to buy it, few are basic features of the insurance where extra premium is not charged, sum insured of the policy, value added features to the basic features, inclusion and exclusion in the policy example waiting period for pre-existing disease will be excluded when extra premium is paid to the insurer. Government health insurance coverages are fixed as per the guidelines of the state but for private insurance companies it all have been customize according to the needs what the person is looking for, example few needs only the basic features pf the health insurance policy but few wants to add on special features to the policy then extra premium is paid to have the customized policy. Top reason for buying the health insurance is to safeguard the family from tough financial situation and help them to recover from the tough situations. Some of the health insurance policies are family floater, self only and few government health policies. The reason why 11% do not have health insurance are 56% of people feel like insurance company refused coverage for health insurance as the reason can be they would have approached the insurance company at the time of hospitalization in the hospital. 64% of people do not believe in health insurance and 25% people cannot afford to buy health insurance policy. These are the reasons for not having the health insurance policy but government have given free health insurance policy to the people who can not afford to buy the health insurance and people in low economic status. Almost 74% of the respondents are willing to renew their health insurance policy to safeguard their family from the financial tough situation. This results how people are well known about the importance of the health insurance coverage. 81% of the respondents wants to raise the awareness regarding the importance of health insurance.

Chapter 5: CONCLUSION-

An attempt is made to understand the people's knowledge, attitude and perception regarding the health insurance policy. Our life is unpredictable so we do not know when the pandemic situation arrives again and medical inflation happens. People have different perception on health insurance coverage and need to raise awareness on having health insurance. The participants who are educated has known the importance of the health insurance and invested in buying the health insurance plans. In over all level of satisfaction with the current health insurance carrier are 50% of the respondents have selected 4 out of 5. The mass media marketing strategies need to be added and bring awareness in all people mind to take the health insurance coverage.

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