

# IDENTIFYING THE ACCESSIBILITY OF HEALTH INSURANCE AMONG THE HOUSEHOLDS IN CHENNAI CITY

## INTRODUCTION

Health insurance could also be a legal agreement between the insurance firm and policyholder there under the underwriter guarantees to accumulate all medical expenses incurred by insured just in case of medical emergencies. The insurance can reimburse the amount or can confirm that the insured is obtaining the cashless treatment for all diseases or injuries that square measure lined under the policy at network hospitals. Aside from the health cowl, on buying an efficient insurance found out, you'll be in danger of receive tax edges underneath Section 80 D of the tax Act- 1961, on the premium paid towards your policy.

To require advantage of a insurance policy, the customer must pay premium frequently. From the start of the policy, if the insured has any medical expenses in realities then the insurer are getting to be in danger of pay them per the choices, benefits and terms. It's vital to remain in mind that some insurance firms have a waiting amount underneath that no claims are getting to be diverted for a specific fundamental measure. The waiting amount varies from underwriter to underwriter. Insurance is additionally enclosed within the sides provided by the employers to their workers. However, the choices and edges of such policies would be restricted. That's why it's continually advisable to travel for a separate insurance policy for complete safety.

## BACKGROUND OF THE STUDY

The present study has been made on the research on "HEALTH INSURANCE: "IDENTIFYING ACCESS TO HEALTH CARE IN CHENNAI". The aim of this study is to spot the characteristics of various variables which are mostly liable for taking insurance policy by the people of city of Chennai. The most intension of the study is to seek out buying behavior of the people before purchase policy and to seek out what are the factors behind it. This Research work is completely that specialize in the buyer behavior towards differing types of insurance Policies, and also as access to health care and also opinion about the determinants of image of insurance in Chennai. Insurance is that pays for medical expenses. It's sometimes used more broadly to incorporate Insurance covering disability or future nursing or custodial care needs. It's going to be provided through a governments Sponsored social welfare program, or from private Insurance companies. It's going to be purchased on a gaggle basis or purchased by individual consumers.

## OBJECTIVES OF THE STUDY

- To identify the accessibility of health insurance

- To examine the socio economic profile of responders
- To provide suggestion supported findings to enhance the work environment so as to reinforce the access to health care.

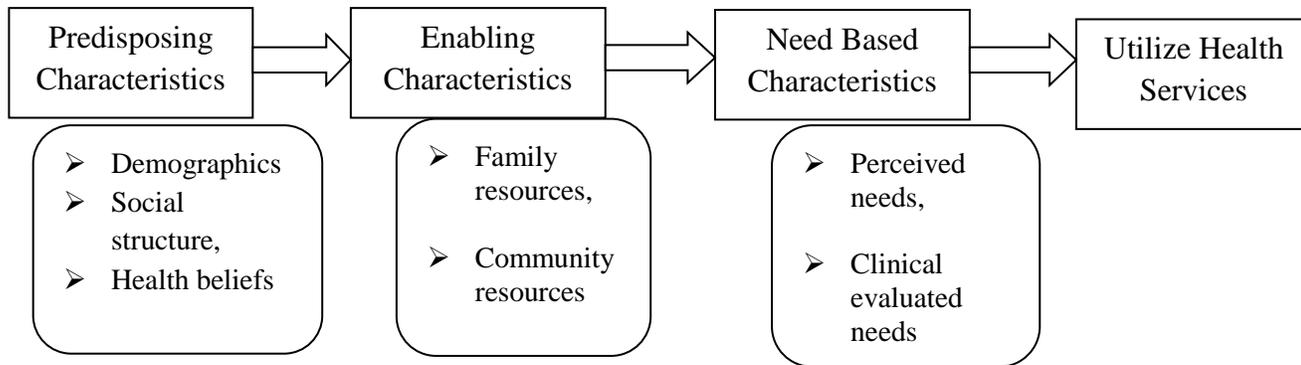
## METHODOLOGY

As means to realize the objectives of present study relevant primary data was to prepared questionnaire with using sampling techniques. This study tried to seek out the notice and Access to health insurance Through: Personal Approach Surveys, Questionnaires also as secondary data was used. The secondary data collected from Books, websites, news papers, journals, magazines, research papers. Since, this study required collection of knowledge from the grass root level, i.e. people that are directly affected and susceptible to medical emergencies, this study has adopted quantitative research methodology. Primary data was collected from the study area using structured questionnaire. This study has covered sample size of 100 households in respect of Chennai Metropolitan city.

## MODELS OF HEALTH CARE UTILIZATION

Andersen's health behavior model of health care utilization (1968) looks at three categories of determinants as shown in figure 1.1

- 1) **Predisposing characteristics:** This category represents the proclivity to utilize health care services. Consistent with Andersen, a private is more or less likely to use health services supported demographics, position within the social organization, and beliefs of health services benefits. A private who believes health services are useful for treatment will likely utilize those services.
- 2) **Enabling characteristics:** This category Individual Perceptions Cues to action Likelihood of Action: benefits - barriers Modifying factors Perceived threat of disease Likelihood of taking preventative action includes resources found within the family and therefore the community. Family resources comprise economic status and therefore the location of residence. Community resources incorporate access to health care facilities and therefore the availability of persons for assistance.
- 3) **Need based characteristics.** The third category includes the perception of need for health services, whether individual, social or clinically evaluated perceptions of need (Wolinsky, 1988b).

**Figure 1.1: Andersen's Behavioral Model of Health Services Utilization (adapted from Wolinsky, 1988b)**

In the 1970's Andersen's model was later expanded and refined to incorporate the health care system. The health care system includes health policy, resources, and organization also because the changes in these over time. Resources comprise the quantity and distribution of both labor and capital, including education of health care personnel and available equipment. Organization refers to how a health care system manages its resources, which ultimately influences access to and structure of health services. Consistent with this level of the revised model, how a corporation distributes its resources and whether or not the organization has adequate labor volumes will determine if a private uses health services.

Additionally, the updated model includes recognition that consumer satisfaction reflects health care use. Furthermore, the model includes the notion that there are several health services available, and both the sort of service available (i.e., a hospital, dentist, or pharmacy) and therefore the purpose of the health care service (i.e., primary or secondary care) will determine the sort of service utilized. Thus, consistent with the revised model, whether or not a selected health care service is employed and therefore the frequency a service is employed will have different determinants supported characteristics of the population and therefore the health services (Andersen, 1995; Andersen & Newman, 2005)<sup>1</sup>.

## EMPRICAL REVIEW OF RELATED STUDIES

**Thakur Harshad (2015)<sup>2</sup>** has framed the target of his study on assess the notice, enrolment and utilization of the RSBY in Maharashtra. The study was used mixed methods approach. Multistage sampling technique is tailored to pick samples that have 6000 households across 22 districts. A sample of study of 5 districts is selected and knowledge is collected through conducting the content analysis, focused discussion and thorough interviews with varied respondents or candidates to work out the most findings. The

<sup>1</sup> Models of Health Care Utilization and Behavior, DOI: 10.1002/0470011815, Encyclopedia of Biostatics, 2005.

<sup>2</sup> Thaker Harshhad, "Study of Awareness, Enrollment, and Utilisation of Rashtriya Swasthya Bima Yojana (National Health Insurance Scheme) in Maharashtra, India", PMID: 26779475, Frontiers in Public Health, 2015.

knowledge were Analyzed through the help of adopting innovative SPEC tool that were developed by Health Indian Nursing council. It's been ascertained that the RSBY theme was less eminent in country side.

**Njoku, Ohagwn C.C and Okaro O.A. (2010)<sup>3</sup>** states that the central of Nigeria Launched the social insurance theme in Nigeria is to provide equal accessibility to health care services. The most focus of the study is to work out the eye and angle concerning the scheme survey was designed to specialize in all the radiographers in SE Nigeria and also the study contains 40-17 item semi structured questionnaire. The results reveal that there's high level information of the respondents concerning NHIS wasn't thus encouraging and conducting seminars within the hospitals was a significant supply of data.

**Awe T.A and Sanusi A.L., (2009)<sup>4</sup>** depicts in their study that the government has introduced national insurance theme (NHIS) for the just health care access as an alternate mechanism of funding for the apace extremely value of the health care system. The aim of the study is to assess the notice level in Oyo state in federal republic of Nigeria. The sampling tool was employed for assembling the info by administrating within the questionnaire includes age, gender, family size, marital standing, and gain and registration levels. A Chi-square and descriptive statistics were used for the analyzing the knowledge. The finding reveals that 87 percent of the respondents were tuned in to the theme whereas eighty three were registered with the theme. the utilization level might be an important issue ( $P>0.01$ ) influences the quantity of awareness concerning the programmed whereas gain level, status, family size and academic level of the respondent weren't influence the eye level concerning the programmed. Majority of the respondent were registered for the programmed. Hence, there's the necessity for the government to consolidate the gains thus far of NHIS so as to enhance the performance of the scheme.

## HEALTH INSURANCE AND ITS IMPORTANCE

How repeatedly do I need to be compelled to go to a hospital to finally understand that you simply need a health cover? It just takes one medical emergency to make you perceive however vulnerable you're once you've got to be compelled to foot the hospital bills. Whether or not you're made or poor, young or previous, being diagnosed with Associate in Nursing unhealthiness that needs hospitalization could also be one hell of Associate in Nursing ordeal. Diabetes, stroke, heart ailment, renal failure and similar alternative style diseases area unit more and more turning into common recently. Bioscience, fortunately, has improved in leaps and bounds and there are a unit currently super-specialty hospitals wherever several serious diseases are often treated.

<sup>3</sup> Njoke, Ohgwan C.C. and Okaro O.A., "Awareness and Perception of National Health Insurance Scheme (NHIS) among Radiographers in South East Nigeria", Research Gate Journal, 2018.

<sup>4</sup> Awe T.A and Sanusi A.L., "An Assessment of Awareness Level of National Health Insurance Scheme (NHIS) Among Health Care Consumers in Nigeria, Article in Social Sciences 4 (2), 2009.

However it all involves large price. The rich is additionally able to afford these expenses however what regarding the common bourgeois people? Wherever do they get the cash to satisfy the costs? For diseases that call for surgery or hospitalization, the medical expenses could simply run into six digit figures.

Currently imagine, you've to pay a huge quantity inside a few of hours' notice. That certainly will cause to paranoid. This is often specifically wherever a policy, unremarkably called mediclaim in India, comes in image to cover your expenses up to an honest extent and assist you keep the peace of mind. Insurance plans are getting to be there to support them financially just in case of medical emergencies. It'll offer the required monetary help to get all medical bills. The facilities almost like cashless profit makes it additional awful as beneath constant people will utterly target treatment without fear regarding the medical bills. A policy can permits folks to urge the treatment at high hospitals of India and thus the neatest thing is that the insurance company pays attention of all medical bills. At Policy X.com, that's Associate in Nursing IRDA approved internet site, the people can freely compare and choose the foremost effective plans to need care of their health desires and expenses in just a few of minutes.<sup>5</sup>

## **Types of insurance**

People have their own selections and desires and to cater them insurance corporations are providing multiple sorts of health insurance. It's necessary to take a position associate exceedingly during a very. Insurance arranges however it's tons of necessary to travel for an applicable cover which can simply go well along side your wants. Thus for choosing the right one, you want to 1st determine how several forms are there that you simply will explore. Following are major kinds of insurance policies out there in India.

### **1) Individual Health Insurance**

This is that the only quite all insurance schemes out there in India. Under a personal insurance arrange, one person is roofed for the chosen total insured. Members of the family is listed under this arrange however a definite total insured must be chosen for each member. The yearly premium payable is usually directly proportional to the entire assured.<sup>6</sup>

### **2) Family Floater Health Insurance**

It may be quite insurance policies that are significantly made-to-order for families there under a group total insured are there for all insured members for one or tons of claims throughout the policy tenure. Nation will cowl relative, dependent youngsters, and fogeys underneath this arrange. Here, the entire assured is floated among members of the family named within the policy.

<sup>5</sup> Charles Normand, Axel Weber., "Social Health Insurance: A Guidebook for Planning", World Health Organization, 1994.

<sup>6</sup> William F. Bluhm., "Individual Health Insurance", ACTEX Publishing, 2007.

The premium collectable for a family floater policy is usually below individual policies taken by every beloved. A family floater mediclaim policy is sensible as a result of every member gets a huge cowl. Conjointly the likelihood of over one member obtaining hospitalized within an equivalent year is quite low.

### 3) Critical Sickness Plan

Under identical, the customer is in danger of receives a group profit payout just in case any vital sicknesses like underneath the policy. With the payment profit you'll be able to pay the hospitalization value.<sup>7</sup>

### 4) Senior Citizen Health Plan

This is especially for the maturity folks, significantly the age on top of sixty years. This arranges might be a pleasant to fight against medical contingencies throughout maturity. As per the IRDAI laws, each insurance company should embody folks up to age of sixty five years.

### 5) Maternity Health Insurance

Nowadays, nearly each insurance company cowl pre and post-natal care, kid deliveries and usually vaccination expenses of recent born babies yet. In short, it offers cowl to all or any or any your maternity expenses. However, options and exclusions will vary from underwriter to underwriter.<sup>8</sup>

### 6) Unit Linked Health Plan (ULHP)

Health insurance corporations have recently introduced ULHP. It's essentially a mixture of insurance and investment. At the side of the health protection, ULHP can assist you in building a corpus which can be utilized by the capitalist to satisfy expenditures that do not get lined underneath insurance plans and therefore the return depends upon the market conditions at that time. However these plans are still within the event stage and are counseled for people that will handle product like unit connected insurance plans (ULIPs) and unit connected pension plans (ULPPs)<sup>9</sup>

## DEPENDENT VARIABLES INCLUDE

Access to health care is a dummy variable dichotomized with '1' for Access to health care and '0' otherwise.

<sup>7</sup> Helen Baker, "Group Health Insurance and Sickness Benefit Plans in Collective Bargaining", Industrial Relations Section, 1945.

<sup>8</sup> Jennie Mohr, "Maternity Benefits under Union Contract Health Insurance Plans", U.S. Government Printing Office, 1947.

<sup>9</sup> Chanchal Wankhade, "Health Insurance for All Book For Every Indian", Chanchal Wankhade Publication.

**INDEPENDENT VARIABLES INCLUDE**

**AGE:** This variable indicates the age of the respondents in years.

**EDUCATION:** This variable is measured by years of schooling. The greater the level of education attained the greater the willingness to pay will be. It is expected to have a positive effect on probability of health care because it is seen that educated people are aware of health care utilization. And hence will maintain a good health status.

**MARITAL STATUS:** This indicates the marital status of the respondent (single or married).

**TYPE OF FAMILY:** This variable indicates the type of family to which the respondent belongs to such as joint or nuclear family.

**GENDER:** Whether the respondent is male or female.

**EMPLOYMENT STATUS:** This variable indicates whether the respondent is employed or not.

**Ordinary Least Squares (OLS) Maximum Likelihood Probit (PROBIT) and Logit (LOGIT) Estimates of the Determinants of Access to health care.**

REGRESSOR	OLS	LOGIT	PROBIT
Age	0.0041328** (2.33)	0.0033618 (0.09)	.0043041 (-0.2)
Education	0.0046061** (1.65)	0.0129986 (0.22)	.0045365 (0.13)
Marital Status single	0.0450185 (1.37)	-0.024648 (-0.04)	-0.942294 (-0.23)
Nuclear Family	0.0093174 (0.37)	0.1096451 (0.21)	.0871188 (0.27)

Unemployed	-0.0737072*** (-2.46)	-0.2983618 (-0.47)	-.0106731 (-0.03)
Cons	-0.2336939 (-2.29)	-0.6493227 (-0.3)	-.0693355 (-0.06)
R <sup>2</sup> /Loglikelihood	0.9647	-67.81636	-68.08708
F-Statistic/X	358.67	0.9844	0.9925
N	100	100	100

Note: figures in parenthesis denote 't' values for OLS, 'z' values for PROBIT and WALD statistic for LOGIT. (Significance level: \*: 1%, \*\*: 5%, \*\*\*: 10%.)

### ACCESS TO HEALTH CARE

The variables age, education, marital status single and type of family shows a positive effect upon the access to health care utilization. The variable Unemployed shows a negative effect upon the access to health care utilization.

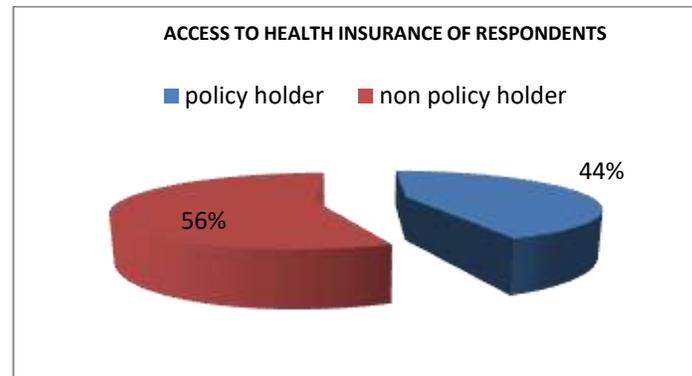
Age of the respondents shows a positive effect upon the access to health care utilization. It is statistically significant at 5% level. This indicates that as the age of the respondents increases their illness probability also increases. Therefore this leads to an increase in access to healthcare utilization.

Education has a positive effect upon the access to health care utilization. It is statistically significant at 5% level. This shows that as the education of the respondent increases there is more awareness about health insurance.

Unemployment shows a negative effect upon the access to health care utilization. It is statistically significant at 10% level. This shows that as the unemployment rate increases the likelihood to acquire healthcare insurance decreases.

### ACCESS TO HEALTH INSURANCE

S.NO	PARTICULAR	PERCENTAGE
1	policy holder	44
2	non policy holder	56
	Total	100



**SOURCE: primary data**

## INTERPRETATION

44% of the respondents have access to health through insurance 56% of the respondents did not seek health insurance

## Finding:

- 9% of respondents are belonged to the age group of 20-25 year, 39% of the respondents are belonged to the age group of 26-35 year, 25% of the respondents are belonged to the age group of 36- 45 year, 17% of the respondents are belonged to the age group of 46-55 year, 10% of respondents are belonged to the age group of above 56 year.
- 71% of the respondents are belong to employed, 29% of the respondents are belong to unemployed.
- 73% of the respondents were male category and 27% of respondents were female category.
- 72% of respondents are married and 28% of respondents are unmarried
- 66% of respondents belong to joint family and 34% of the respondents belong to unclear family.
- 44% of the respondents have access to health through insurance 56% of the respondents did not seek health insurance
- Ordinary Least Squares (**OLS**) Maximum Likelihood Probit (**PROBIT**) and Logit (**LOGIT**) estimates of the determinants of access to health care.
- Age of the respondents shows a positive effect upon the access to health care utilization. It is statistically significant at 5 percent level. This indicates that as the age of the respondents increases their illness probability also increases. Therefore this leads to an increase in access to health care utilization.
- Education has a positive effect upon the access to health care utilization. It is statistically significant at 5 percent level. This shows that as that education of the respondent increases there is more awareness about health insurance.

- Unemployment shows a negative effect upon the access to health care utilization. It is statistically significant at 10 percent level. This shows that as that unemployment rate increases the likelihood to acquire healthcare insurance decreases.

**Suggestion:**

Most of the respondents gave their opinion for improving the services provided by the health insurance companies respondents offered important insights, separately for government and private health insurance companies. Government companies are suggested to improve their customer support services, introducing money back policies, developing short claim settlement process, providing more cashless facilities network and issue health insurance care like identity card to Indian citizens.

**Conclusion:**

It is concluded from this study that respondents are aware of insurance but denied to require insurance or medic aim policies. People have trust more in public general insurance companies rather than private general insurance companies to avail themselves the insurance policies. Respondents weren't much aware regarding insurance policies terms and conditions and consistent with the insurance companies aren't transparent. Thus, insurance still has wider scope in India but is suppose to be easy to know and accessible.

