

“A Study on Preference to Buy Health Insurance Policy at Rural Area: Challenges and Problems for Villagers with the Reference to Nagpur District Area”.

Innovation & Advance Management Techniques for Sustainable Development

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ABSTRACT

As we Indians are still in developing stage but we have improved our medical system medicine budget number of doctors for urban and rural area. According to WHO (world health organization) statistic this is among lowest of the BRICS (Brazil, Russia, India, china, south Africa) that we are lag in terms of having health insurance policy in urban and rural as well. Out of 68% total population resides in rural India only 14% in rural and 18% in urban areas having health insurance policy. Reasons for this may be due to lack of illiteracy, awareness and financial stability of their people.

Central government every year has increased budget amount in their union budget and launch specific scheme for rural areas family but still they have certain problems and not increasing rural areas percentage of health insurance policy. This study will focused and understand towards what challenges and problem are facing by rural India (kalmeshwar and saoner village) people and health insurance companies for not having health insurance policy towards them.

KEY WORDS: - Health Insurance Policy, WHO, Indian Union Budget, Rural Indian People, Kalmeshware and Saoner

OBJECTIVES OF THE RESEARCH:

- To study the awareness level in rural people towards Health Insurance.
- To know the preference of individual regarding Health Insurance.
- To find out reason (if) not having Health Insurance policy among rural area people.
- To study about satisfaction level of rural area people service offered by the Health Insurance company.

LITERATURE REVIEW

Rama and Baru (1994) examined the structure of health care provision occurred in public, private and deliberate sectors and use patterns for both inpatient and outpatients care across the states. The revision showed the presence of high variation in the availability of non-government health services across states. In most of the states, public sector was the main foundation of provider of beneficial services and private and voluntary sector marked by uneven spread and regional variations.

Ruchismita, Ahmed and Rai (2007) highlighted the challenges in financing health in India and examined the role of health insurance in addressing these challenges. The study provided with an operational framework for development of sustainable health insurance model under National Rural Health Mission which will respond to the contextual need of different states.

Amarnath Sinha³ (2001) in his study on “The Service Ideal” has pointed out that in competitive times, the quantity of service will be a distinguishing quality of the insurer and hence, the prospective customers will choose among insurers depending upon the quality of service.

Nagendranath, Abhijeet and Pallavi Chari⁶ (2002) in their article titled, “Health Insurance in India – Emerging Paradigms” have pointed out that there is a great potential for health insurance in India but public and private sector companies should work together to ensure healthy growth and development of the sector.

Mark D. Dorfman⁷ (2003) in his book entitled, “Introduction to Risk Management and Insurance” has pointed out that the people purchase health insurance to provide protection against the potentiality, high cost of paying for healthcare services and there will be large loss of income when they are unable to work. He also states that for basic medical expenses, insurance pays for hospitalization and associated expenses and major medical policies also have a participation provision that requires the insured to pay a portion of the covered loss.

RESEARCH METHODOLOGY

1) **Research Type:** - In this research we have used exploratory type of research.

2) **Method of Data Collection:** - In this research we have used primary data through questionnaire & survey method and secondary data as well from various health insurance companies website, official website of Government of India for Health Insurance & Ministry, IRDA etc.

3) **Sample Size:-**

Sample size for this research & survey was used of 200 persons in the Rural Area of Saoner & Kalmeshwar village (Nagpur Dist.)

4) Limitation:-

There was certain limitation in this research work. As it is understood that the limitation are a part of the any research they have been overshadowed by the benefits of the study.

- The survey conducted may not be considered as comprehensive as only for the period Jan to March 2019
- This research has limited respondents (Only 200 persons) taken from the rural area Soaner and Kalmeshwar (Nagpur District).
- Some of the respondents were reluctant to give their responses.

5) HYPOTHESIS:-

i) Null Hypothesis:

Ho: Maximum family from rural areas has not Health Insurance Policy but they are aware about it.

ii) Alternative Hypothesis:

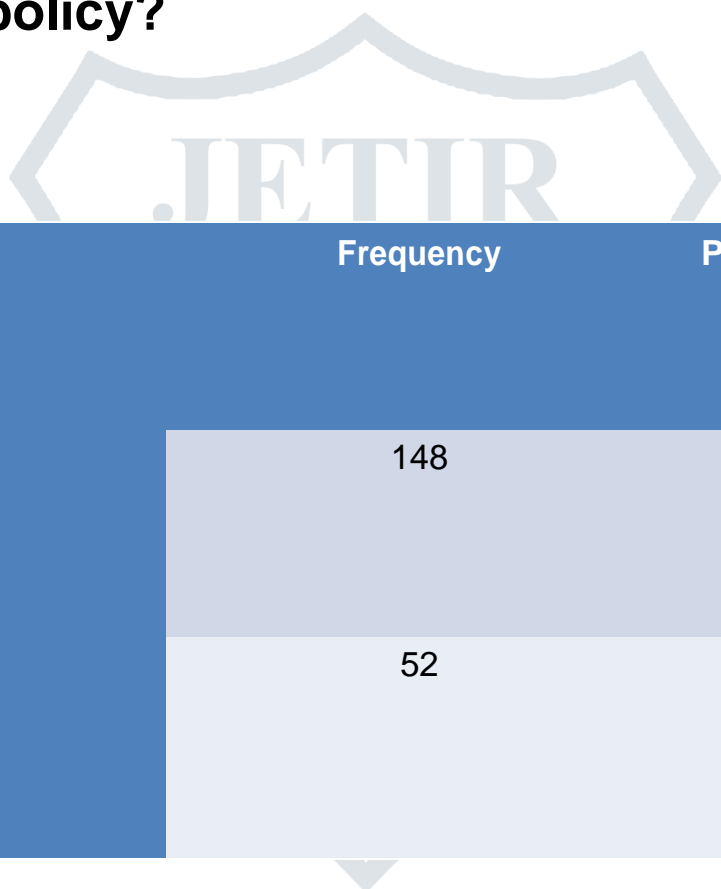
H1: Most of families are aware about health insurance policy and they have purchased it on respective organization (Insurance Company) of rural areas people.

6) Tools for Data Collection: - Questionnaire (Both Open ended and Close ended questions)

7) Tools for Data Analysis: - Frequency percentage test

Scope of Research

1. Are you aware about health insurance policy?



Parameter	Frequency	Percentage
Yes	148	74
No	52	26

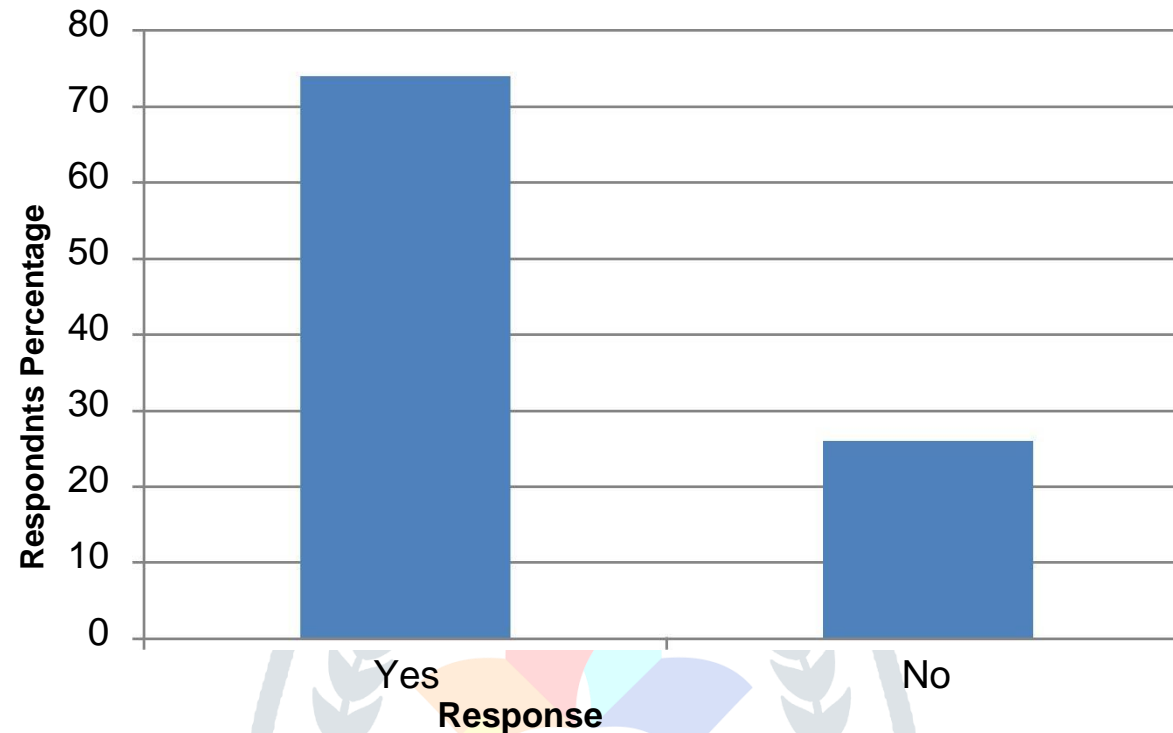


Figure 2.1 No of people Aware about Health Insurance Policy

INTERPRETATION:-

Respondents were asked about their awareness of health insurance obtained results shown in figure 2.1 It is clear from figure 2.1 that 74% of people are aware about health insurance and 26% people not have any idea about health insurance policy.

2. Do you have it?

Parameter	Frequency	Percentage
Yes	119	59.5
No	81	40.5

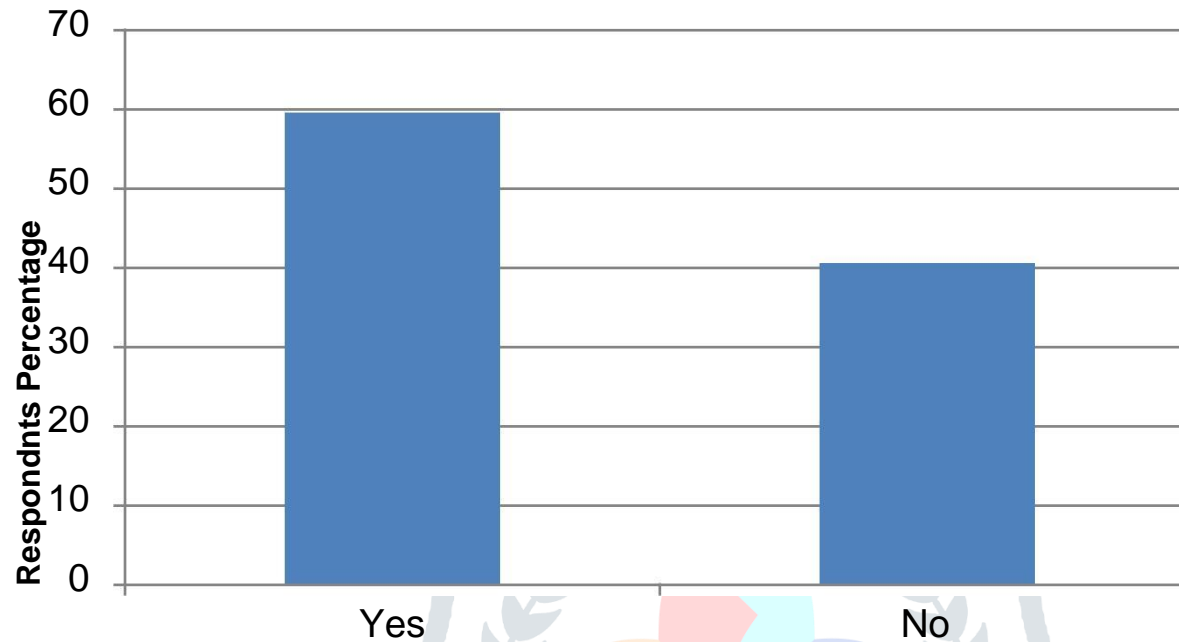
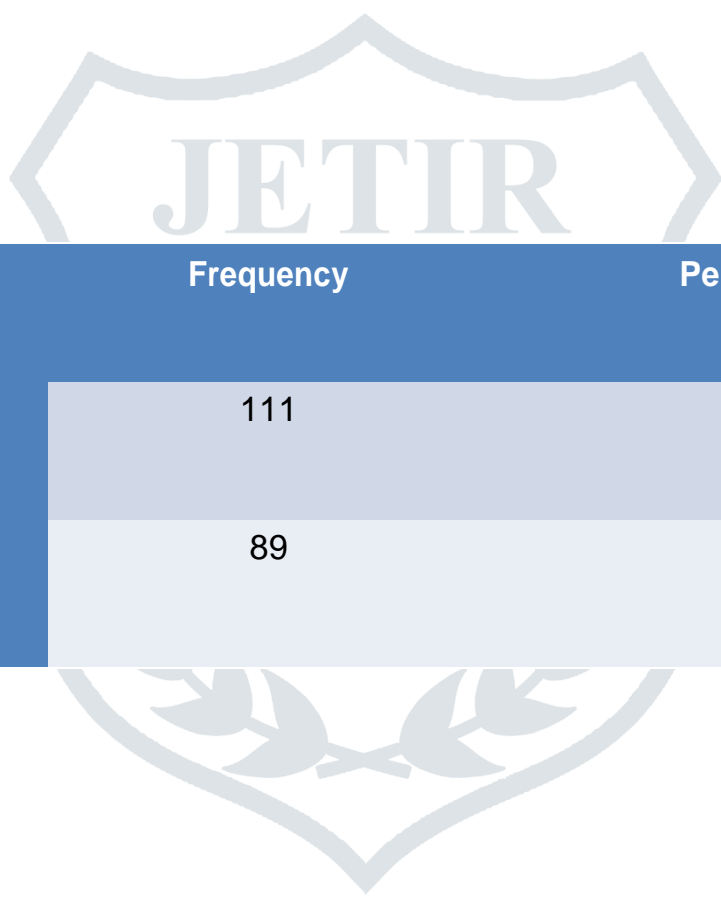


Figure 2.2 No of people purchased Health Insurance

INTERPRETATION:-

The analysis figure 2.2 shows that the 59.5% respondent having the health insurance policy and 40.5% respondents don't have any kind of insurance policy.

3. Do you have any health insurance policy for you and your family member?



Parameter	Frequency	Percentage
Yes	111	55.5
No	89	44.5

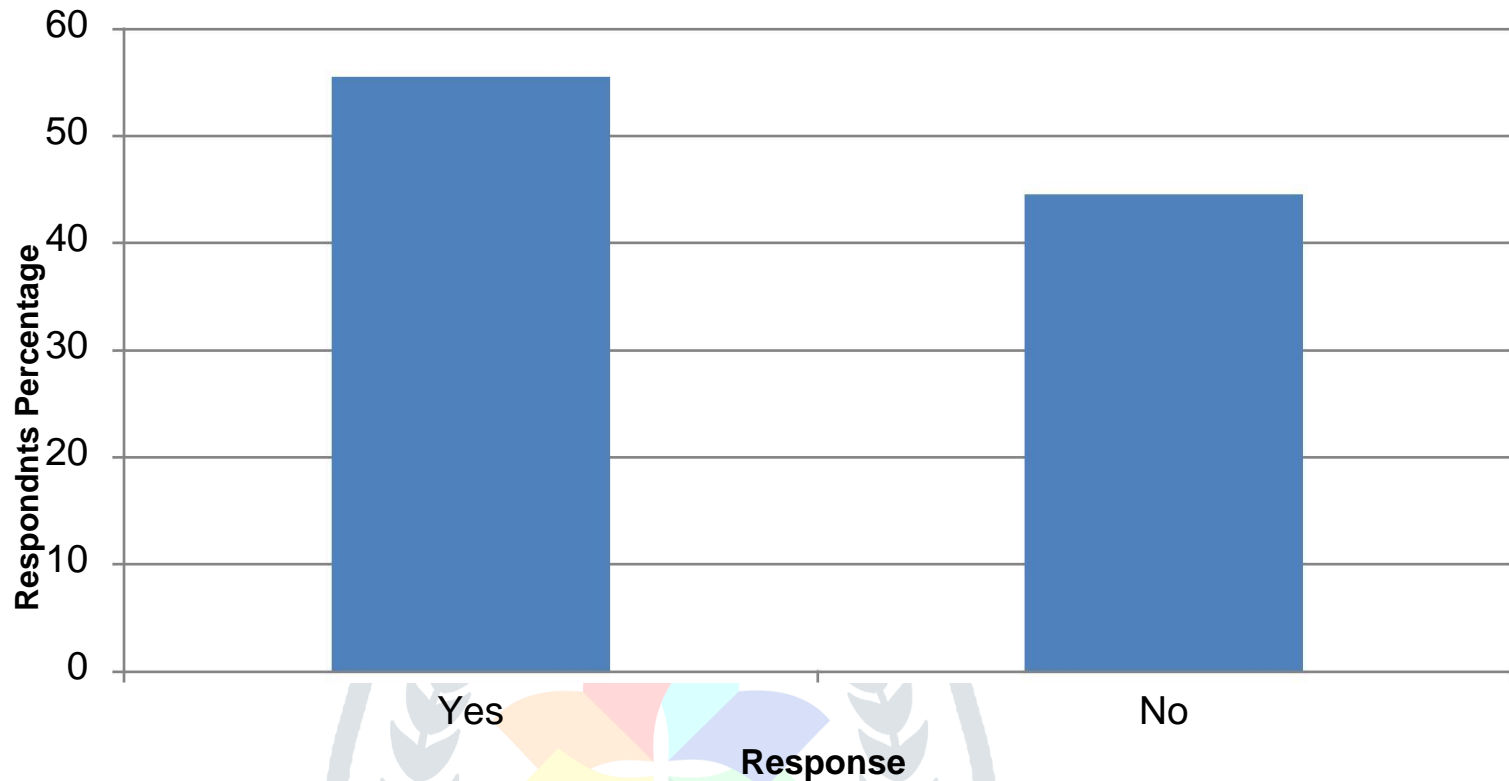


Figure2.3 Health Insurance Policy For You And Your family member

INTERPRETATION:-

Respondents were asked about having any health insurance policy or not obtained results shown in figure 2.3, 55.5 % respondents having health insurance policy in their family and 44.5% respondents don't have any kind of insurance policy.

4. Why you didn't take any health insurance policy you and your family?

Parameter	Frequency	Percentage
Lack of awareness	134	67
Premium is high	58	29
No need	8	4

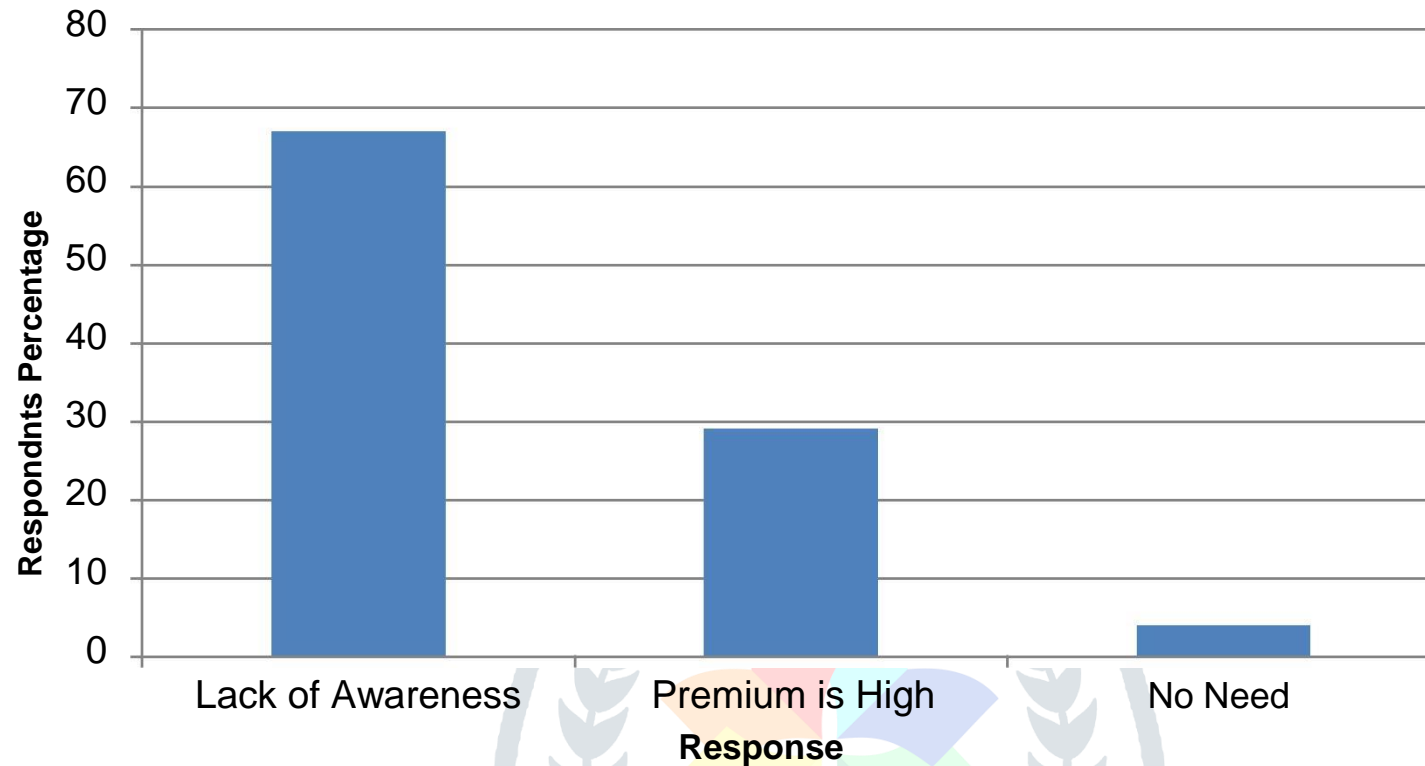


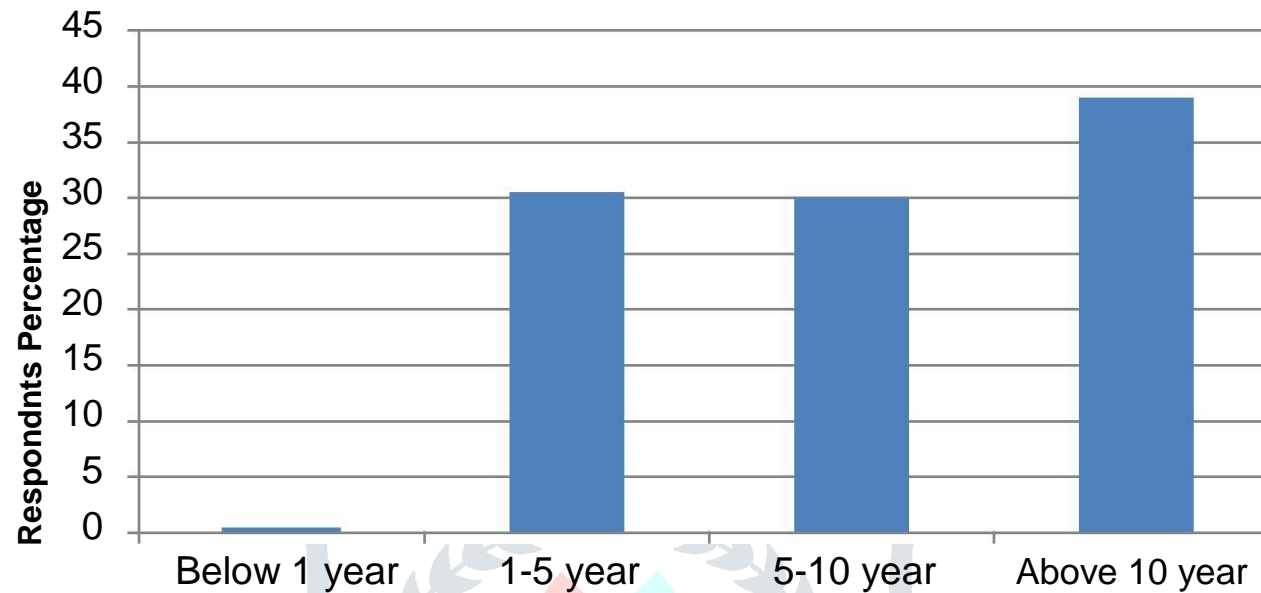
Figure2.4 Take Any Health Insurance Policy You And Your Family

INTERPRETATION:-

The above figure 2.4 shows that the 67% respondents didn't take any health insurance policy because of lack of awareness, 29% respondents didn't take insurance because of premium is high and 4% respondent is no need.

5. For how many year you took policy for your family?

Parameter	Frequency	Percentage
Below 1 year	1	0.5
1-5 year	61	30.5
5-10 year	60	30
Above 10 year	78	39



**Figure 2.5 No Of People Took Policy There
Family Member**

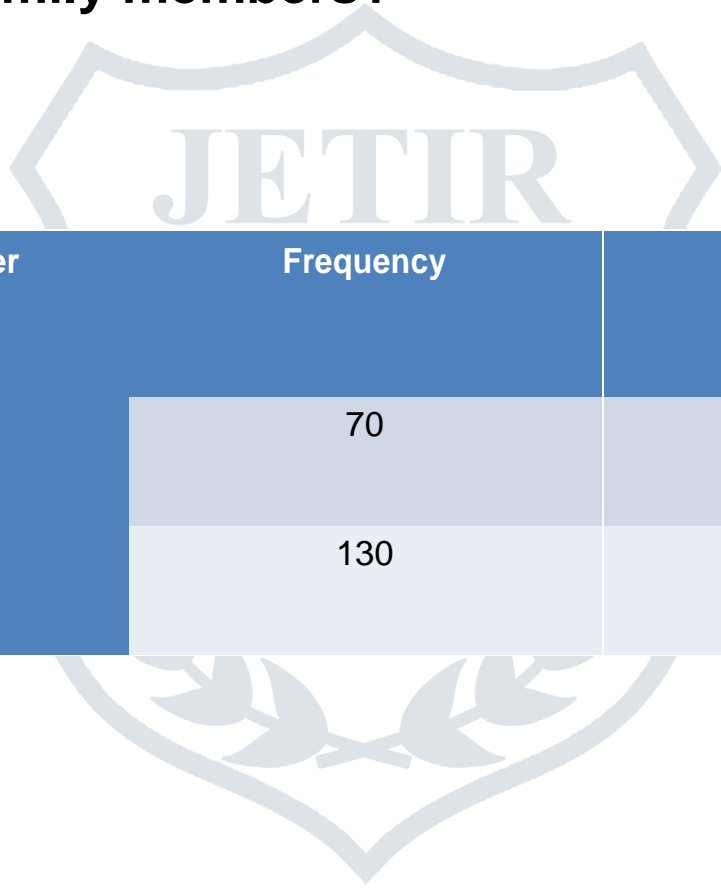
INTERPRETATION:-

The above figure 2.5 It is observed that the maximum people took their policy above 10 year. 30.5% people took their policy 1-5 year and 30% people took their pol5-10 year. For acquiring policy for

number of years is always beneficial for family/policy holder in terms of low premium continuous service and safety.



6. Weather your policy has covered all family members?



Parameter	Frequency	Percentage
Yes	70	35
No	130	65

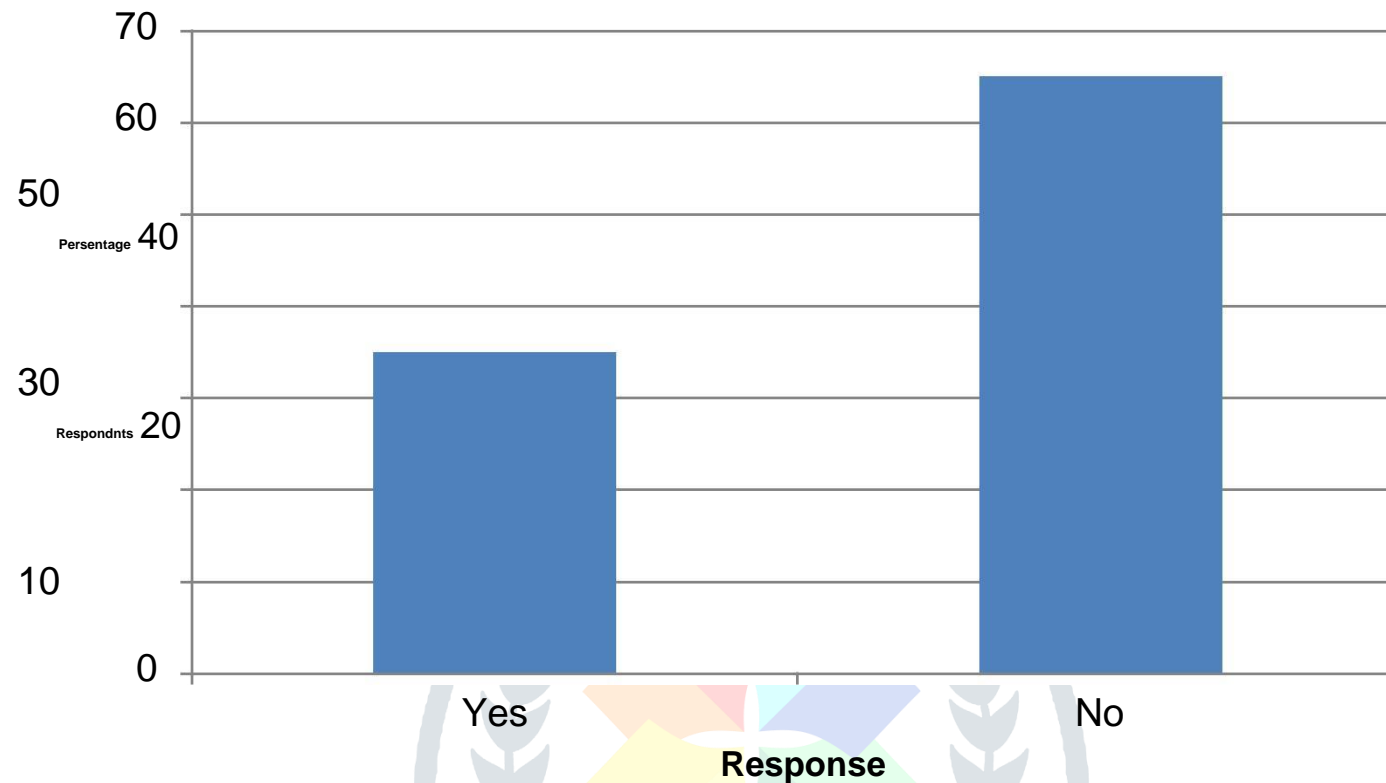
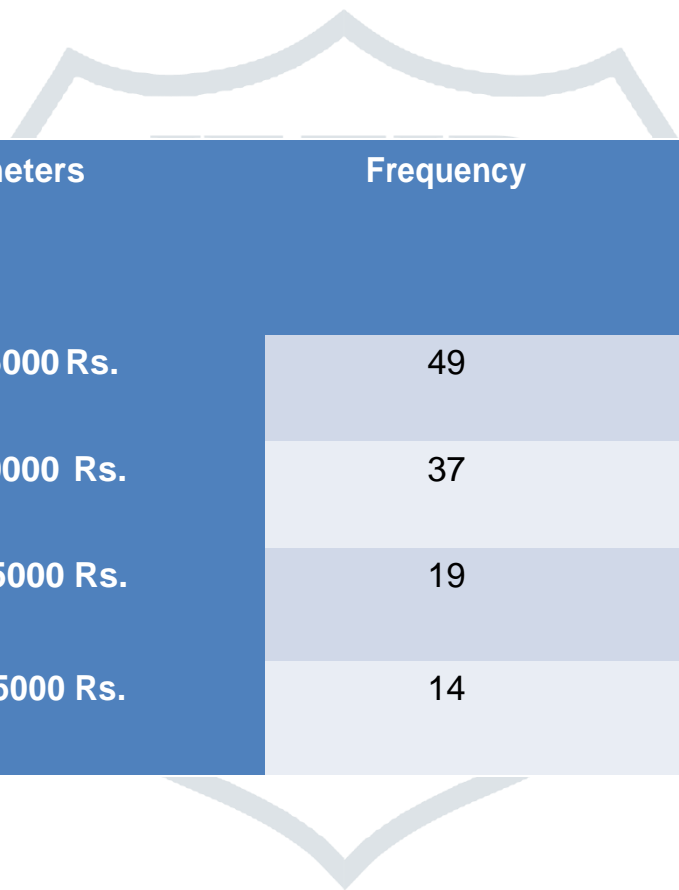


Figure2.6 Policy Has Covered All Family Members

INTERPRETATION:-

From above observation (70% people who said their they have purchase health insurance policy for their family) only covered all family members remaining 130% people don't have purchase any kind of policy.

7. What is your annual premium?



parameters	Frequency	Percentage
Below 5000 Rs.	49	41.17
5000-10000 Rs.	37	31
10000-25000 Rs.	19	15.96
Above 25000 Rs.	14	11.76

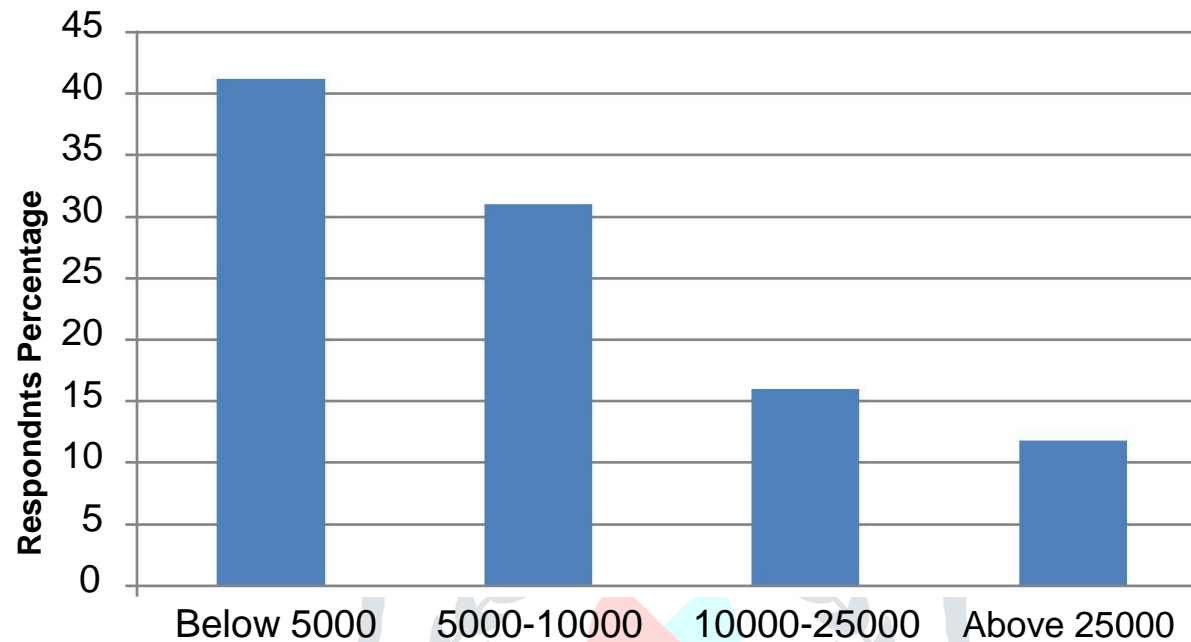


Figure 2.7 Annual Premium

INTERPRETATION:-

Out of total 200 people only 119 people have purchase Insurance Policy & making payment of premium of mention above parameter Rs. In yearly. The above figure 2.7 said out of 119 people said due to

financial stress and status they acquired moderate level premium policy and only 15.96% people out of 119 people purchase or spend



8. Do you think coverage of your policy is enough for you?

Parameters	Frequency	Percentage
Yes	172	86
No	28	14

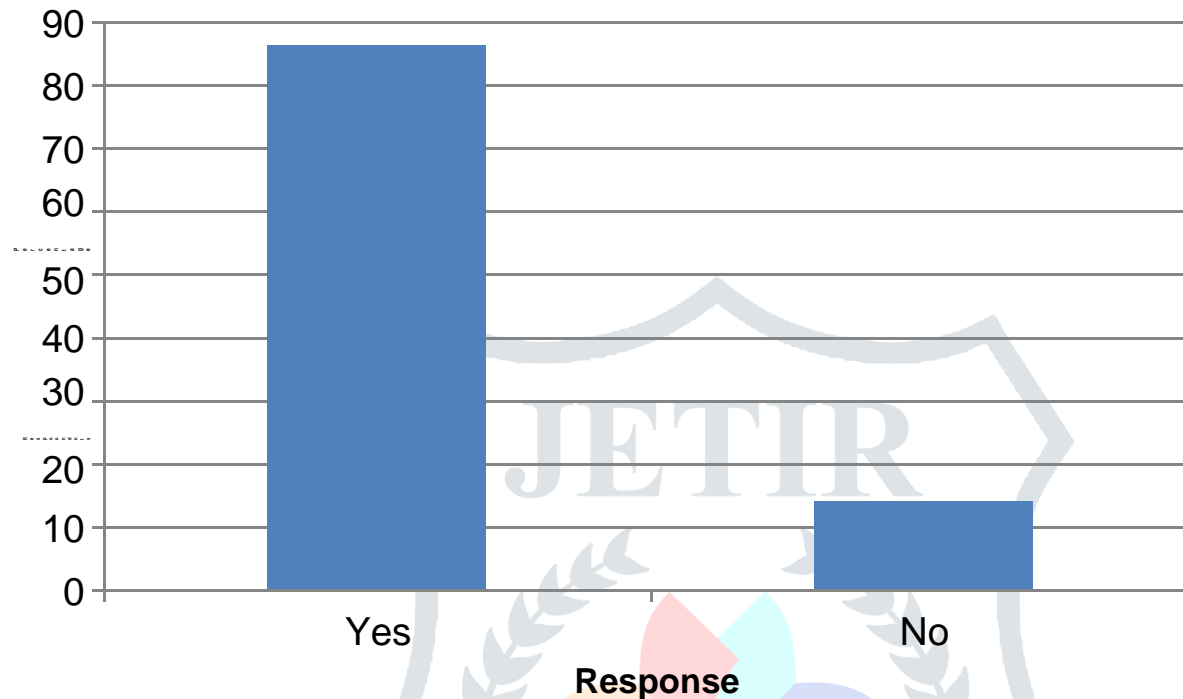
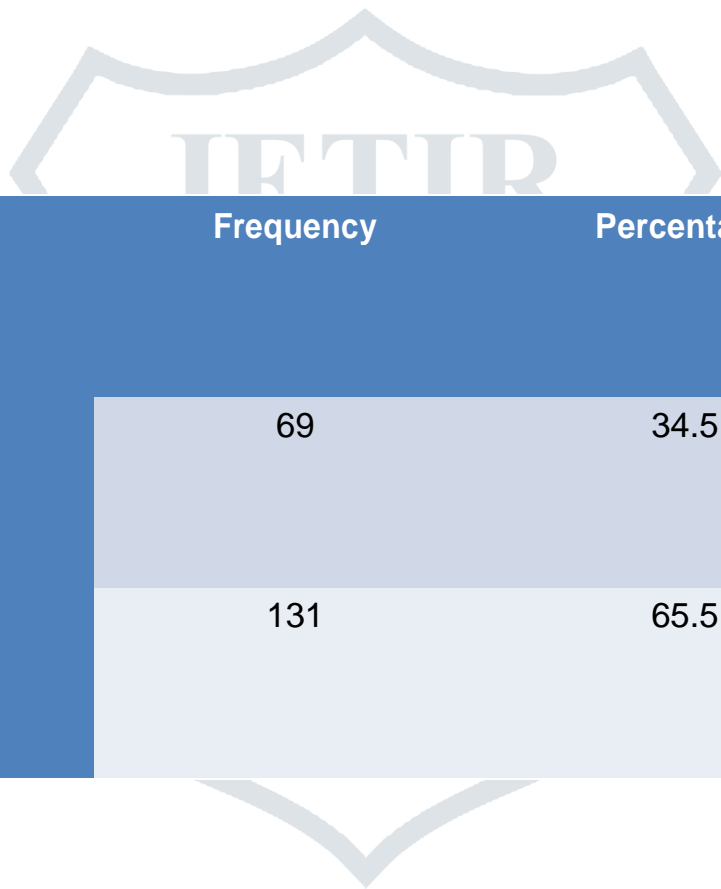


Figure2.8 Coverage of Their Policy Is Enough For Them

INTERPRETATION:-

From the above figure 2.8analyse that the 86% respondent said that they are satisfied in the coverage of policy for their family is enough out of 59.5 (those who are purchased policy) 40.5% people don't have purchase any kind of policy.

9. Do you have free health checkup in your policy?



Parameters	Frequency	Percentage
Yes	69	34.5
No	131	65.5

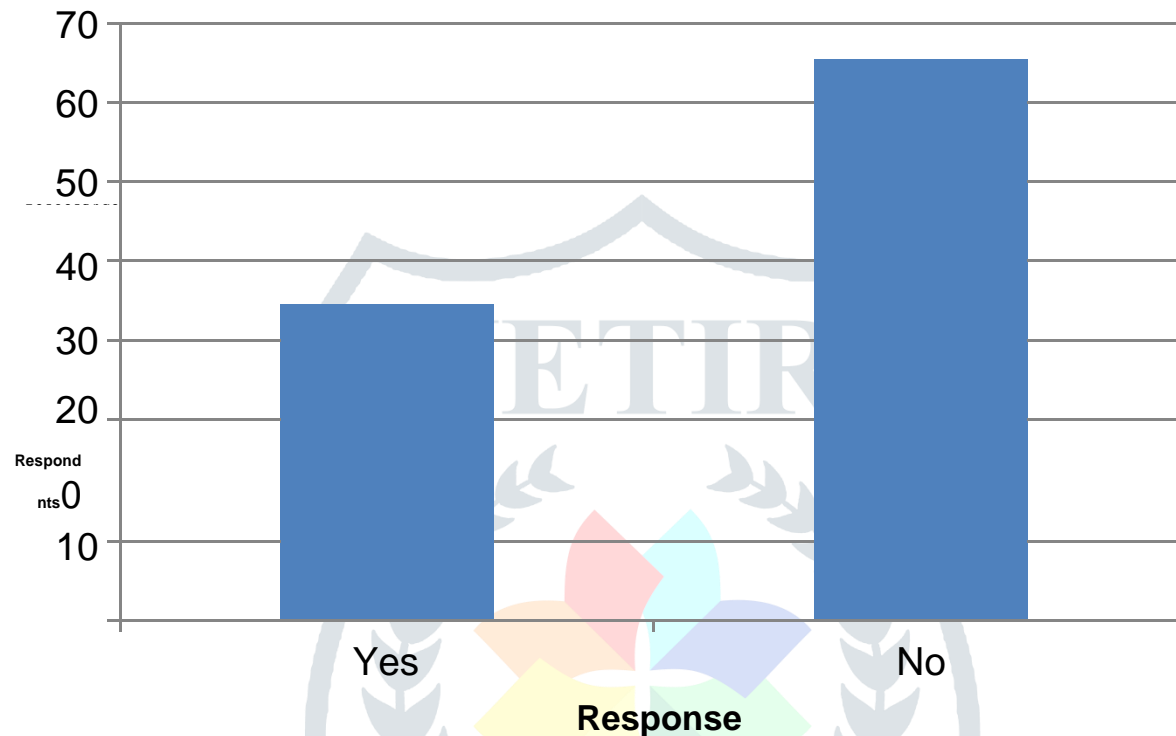


Figure2.9

INTERPRETATION:-

The above figure 2.9 it is observed that 59.5% people (Those who have purchase policy) have include in their policy free health checkup.

10. Do you wish to take low premium policies with limited benefits high premium policies with more benefits?

Parameters	Frequency	Percentage
Low premium policies with limited benefits	174	87
High premium policies with more benefits	26	13

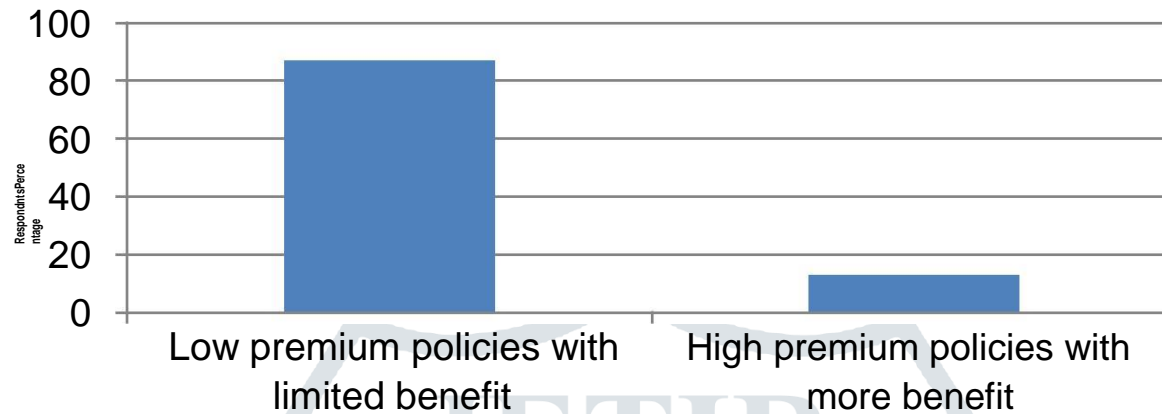
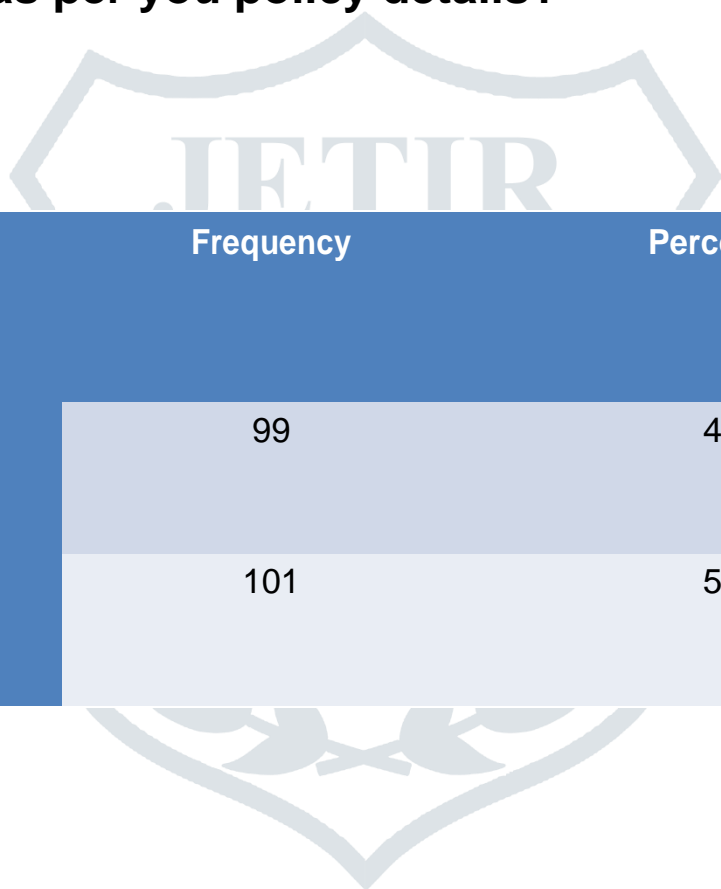


Figure 2.10 Benefits of Policy

INTERPRETATION:-

From the above figure 2.10 this is observed that maximum respondents choose low premium policies with limited benefits(87%) policy with the wish of purchasing health insurance policy due to their financial condition and only 13% respondents said that they are ready to purchase policy with high premium with more benefit.

11. Are hospital network available in your nearby area as per you policy details?



Parameters	Frequency	Percentage
Yes	99	49.5
No	101	50.5

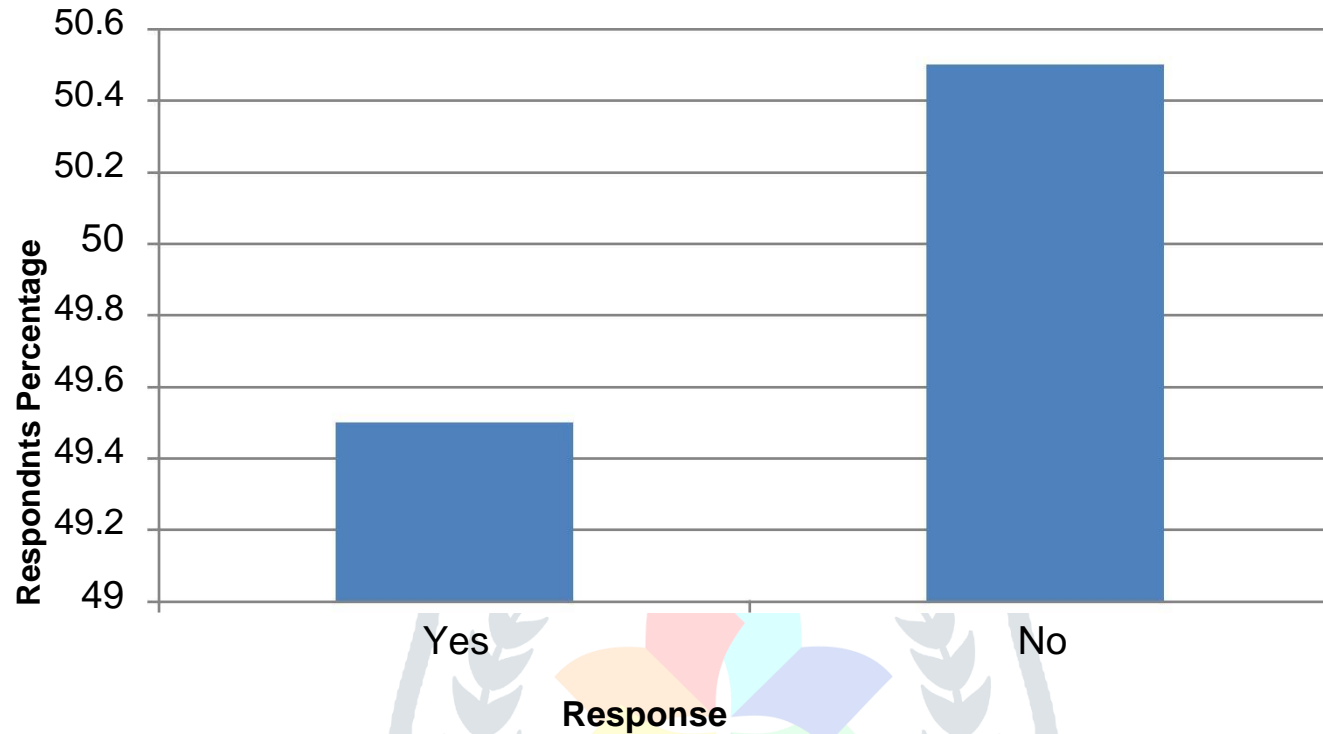



Figure2.11 Availability of Hospital Network

INTERPRETATION:-

From the above figure 2.11 as this project/study was done in the area of Saoner & Kalmeshwar (rural) they don't have any multispecialty or hospital in nearby area so respondent have only one option to find out hospital available in the Nagpur.

12. How is the service offered by health insurance company?



Parameters	Frequency	Percentage
Poor	3	1.5
Average	13	6.5
Good	68	34
Excellence	35	17.5
Can't say	86	43

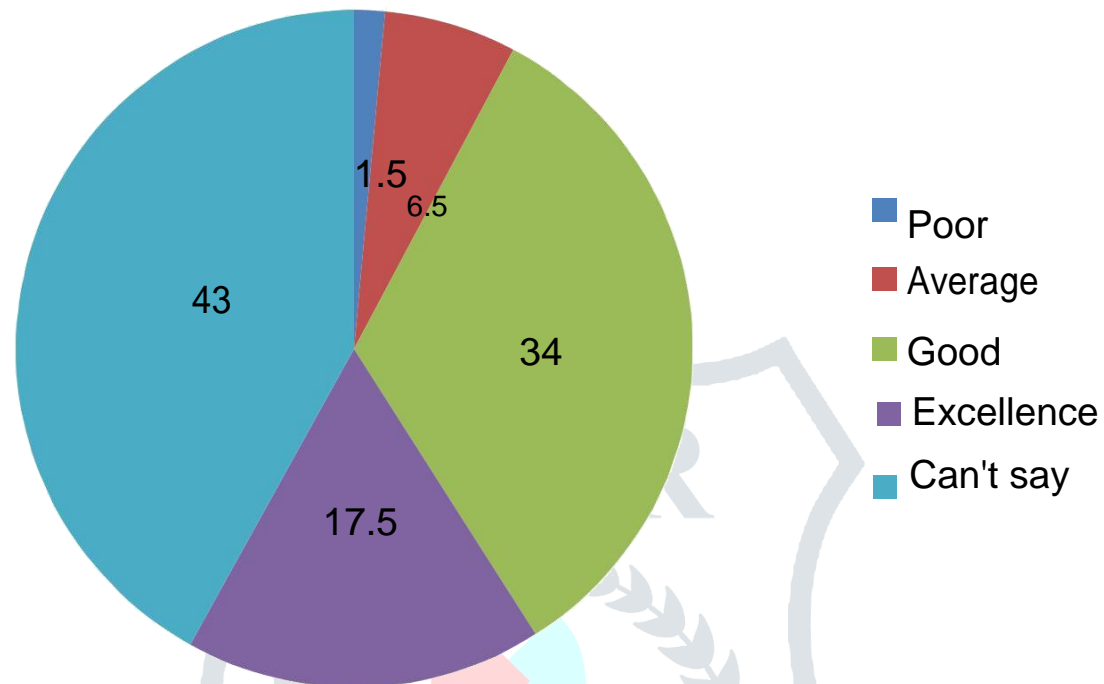
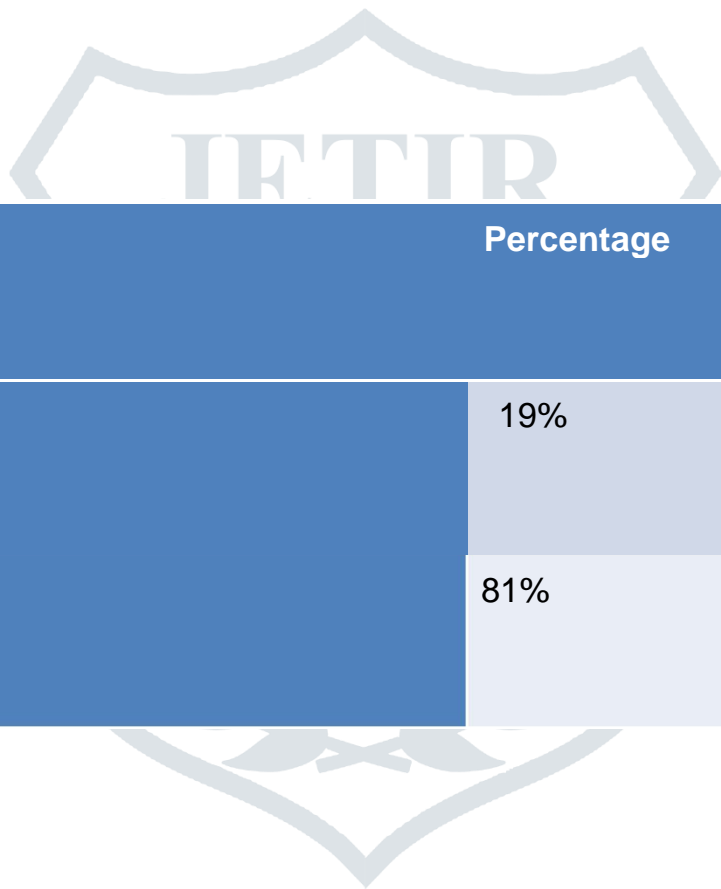


Figure2.12 Service Offered By Health Insurance Policy

INTERPRETATION:-

The above figure 2.12 it is observed that policy taken by 19% people (i. e.19 out of) only 10% people said that whatever services they got from health insurance company, that is an average & only 6% people said good and remaining 3% people said poor.

13. Percentage of people to have health insurance policy. (Kalmeshwar)



Parameters	Percentage
Yes	19%
No	81%

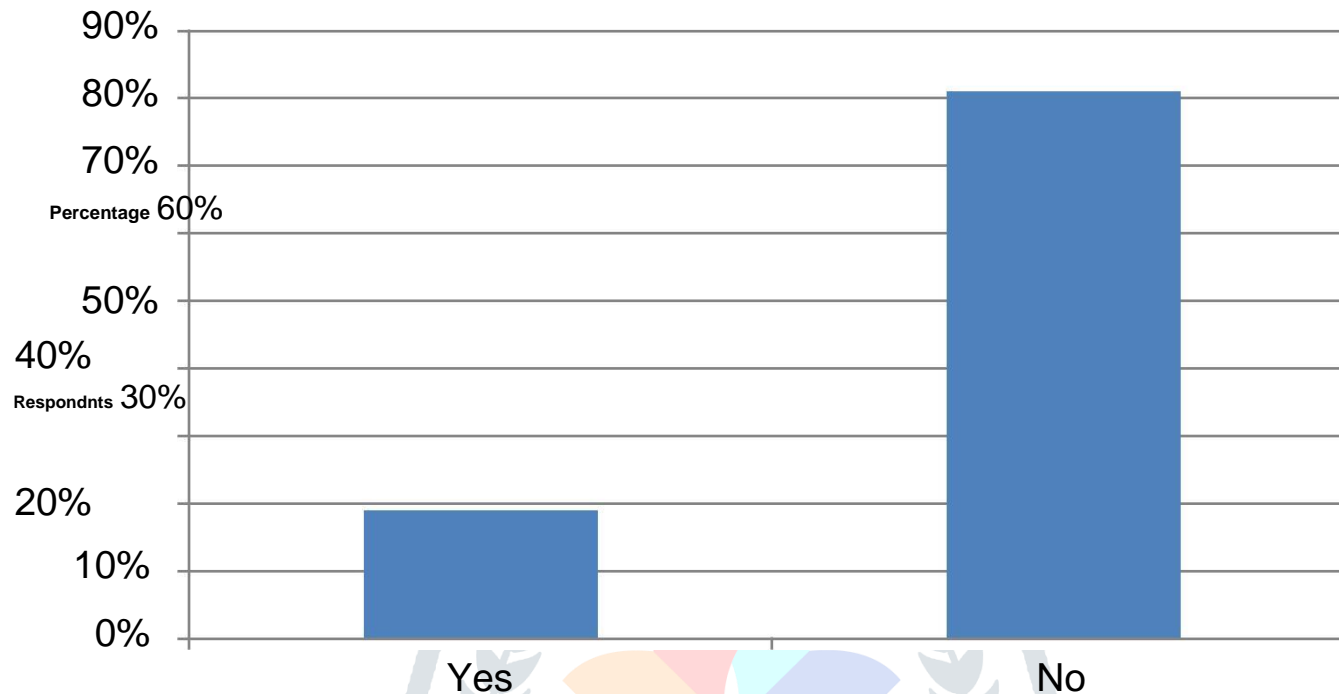


Figure 2.2 Purchase of health insurance policy

INTERPRETATION:-

The analysis figure 2.2 shows that the 19% respondent having the health insurance policy and 81% respondents don't have any kind of insurance policy.

CONCLUSION

This paper makes an attempt to understand the awareness, preference and consumption pattern of health insurance plan.

- The result of study shows that the annual premium is the most important factor that influence the decision or choice of health insurance plan.
- Those who have purchase health insurance policy out of that maximum percentage of people are satisfied with services provide by the company.
- In the kalmeshwar and Saoner rural area people awareness about health insurance policy is too less rather than saoner.

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