

HEALTH INSURANCE AWARENESS LEVEL AMONG THE PEOPLE OF BIHAR IS VERY LOW 'AN EMPIRICAL STUDY'

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Abstract: Healthy citizen is the first and foremost requirement of a strong nation. Health Insurance is an emerging sector in Bihar. At first mediclaim policy was launched in 1986, growth speed up from 1991 and drastic change has been made by the **Ayushman Bharat** scheme but still there is a vast scope of improvement in this sector. The present work attempts to assess individuals about the awareness, challenges and preferences regarding Health Insurance in Bihar. It is needed by all but a handful of the population enjoys it. The health budget of the state in 2017-18, 18-19, and 19-20 were 4.4%, 4.3% and 4.8% of the state budget respectively while the average health budget of all states was 5.3%. It shows that Bihar has the lowest budget provision. That was why **NITI Aayog** declared in 2019, that Bihar is the **least healthy performing state in India**. Lack of awareness is due to the fact that more than 80% of people living in rural areas are unaware about it, they are unable to approach agents. If one wishes to avail, he finds that premium amount is not affordable. For greater awareness regarding health insurance in the state insurance companies and the state govt both have to exercise a lot of change in their efforts. Health insurance needs to be mandatory in the state.

I. INTRODUCTION

Healthy citizen is the first and foremost requirement of a strong nation. That is why saying like **"Health is wealth"** is so popular. Health includes physical as well as mental soundness of the people of a country. Although, most of us wish to be healthy and sound mind, never the less, we come across many situations willingly or unwillingly which badly affect our physical and mental health. Sometimes these health hazards are very serious and able to ruin the whole family physically, mentally and financially. In order to minimise the problems and save the citizen, the governments should introduce some hard measures or introduce mandatory health insurance schemes for each and every citizen.

Health Insurance is a combination of two words - health and insurance where insurance is a safeguard of health but it is quite different from Life Insurance. It provides a cover of indemnity to the affected policy holder against the medical expenses partly or in toto. In order to take advantage of the scheme one has to obtain health insurance policy and to pay a predetermined amount called premium.

So far Health Insurance is concerned the country is lagging behind the world. There are many reasons behind this but ignorance and weak economic condition are the most effective. The Health improvement position of Bihar is very critical not only in accidental case but also in critical diseases. Covid-19 has exposed the poor medical infrastructure in India as well as in Bihar. Being a most underdeveloped state in India, Bihar stands in the extreme bottom position in the Health index of India. According to a report of the **Niti Aayog** (June 2019) Bihar is the least developed state in each and every sector. It further declares Bihar as the least healthy performing state in India.

It is common concern for the governments and people of the state that many enactments and schemes were launched in the past situations but are still very alarming. The Union Minister of Health and family welfare Dr. Harsh Vardhan announced to launch the National Health Assurance Mission in July 2015 and the plan was to "assure" every Indian citizen with appropriate health care but he launched in September 2018 Pradhanmantri Jan Arogya Yojana (**Ayushman Bharat**). It is expected to prove a Milestone for the families living under BPL (below poverty line) and the government is also trying to create a history in the field of Health Insurance in India as well as Bihar but middle class is not very enthusiastic because they are excluded from the benefit of this schemes. On the whole lower class and middle class urgently need Health Insurance cover for making Bihar a healthy state. There are 38 districts in the state. About 20 out of 38 districts have different hospitals attached with various health insurance companies which facilitate cashless treatment to their customers. About 105 insurance companies attached hospitals are available in Bihar whereas 55% network hospitals are available in Patna and only 45% in remaining all districts. However more than 5000 companies attached hospitals are available around the country.

Therefore wide scopes of investment opportunities are ready in the state to be grasped by private and public health insurance companies. This paper will examine the causes of less popularity of Health Insurance schemes in Bihar and suggest measures to make it more popular.

Evolution of Health Insurance

The Origin of health insurance in India is traced out from Workmen's (Employees) Compensation Act, 1923; The Employees' State Insurance Act; In 1948, the first government sponsored health insurance program of India, the Employees State Insurance scheme (ESIS) was gestated for the blue collared private sector workers. Subsequently, the Central Government Health Scheme was launched in 1954 for central government employees and their families. Then the government passed the General Insurance Business Act much later in 1972 and General Insurance was nationalized in 1973. The Government of India merged one hundred seven insurers under four companies, namely the National Insurance Company Ltd, the United India Insurance Company Ltd, the New India Assurance Company Ltd, and the Oriental Insurance Company Ltd. When 'Mediclaim' policy was first launched in 1986 by the Indian government it offered minimum and maximum health coverage of INR 15,000 and INR 5 Lakh respectively. In the beginning, health insurance cover only for individual citizens and their families in India then it offered reimbursement for hospital treatment with certain terms and conditions.

After Liberalization of Indian Economy

A drastic change took place after the economic reform in 1991. Health insurance sector was opened for private insurance companies. A committee headed by the former Governor of Reserve Bank of India, RN Malhotra, offered recommendations to regulate the insurance sector in India. The Insurance Regulatory Development Authority Act was passed in 1999 to regulate the insurance activities in India. The health insurance sector would open under the participation of private and foreign company. In 2003, the government of India also launched Universal Health Insurance for the deprived Below Poverty Line individuals. A large number of health insurance programs have been conceptualized for bottom of pyramid population since 2007 and sponsored by central and state government. Ever since, the government has been launching affordable health insurance programs but not covered each and every people of the country because not allowed to all class.

The National Health Insurance Program (Rashtriya Swasthya Bima Yojana- RSBY) is led by the Ministry of Health & Family Welfare which has been adopted by 29 states since 2014. It is funded 75% by the central and 25% by the state governments. The worker and his dependents (maximum four persons) get benefit from health insurance if they live under below poverty line and not covered under any other system. RSBY beneficiaries have to pay as annual registration fee of INR 30 for hospital coverage up to INR 30,000 per year per family. On September 25th, 2018, the Prime Minister of India "Mr.Narendra Modi" announced to launch a new health insurance scheme for the poorest citizens and expected to reach more than 50 crore people called "Modicare" which later named as Pradhan Mantri Jan Arogya Yojana (PMJAY) and AYUSHMAN BHARAT. Amelioration is still in progress. The aim to install universal security in the country remains a dream.

II. OBJECTIVES OF THE STUDY

1. To assess the individual about the awareness, challenges and preferences of Health Insurance in Bihar.
2. To evaluate the various ratio on awareness and buying patterns of health insurance in Bihar.
3. To know the various terms and conditions about health insurance companies.
4. To assess the effectiveness and efficiency of health insurance services Provided by various companies and govt. Schemes
5. To find out an appropriate ways to improve the conditions of health insurance in Bihar.

III. HYPOTHESIS OF THE STUDY

The study proceeds with the following hypothesis:

Hypothesis 0: The level of awareness among the people is very high in Bihar.

Hypothesis A: The level of awareness among the people is very low in Bihar.

IV. REVIEW OF LITERATURE

Ravi Kant Sharma (2011) in his paper, "A comparison of health insurance Segment-India vs. China" seeks to compare both the economies India and china on health insurance aspect. Both economies have huge potential of health insurance and 45% of world's population lives in both the countries.

R.amsaveni and S.Gomathi(2013) made an attempt to find out mediclaim policy holder satisfaction, to recognize the reason for preferring mediclaim policy to safeguard themselves and stay away from future risk, majority of the respondents have taken personal scheme to employees. The major problems faced by the respondents are lack of timely communication and limited list of hospitals covered by the health insurance providers.

Sonal Kala(2015) study that respondents are aware about health insurance but denied to take health insurance or mediclaim policies. People have trust more on public general insurance companies rather than private general insurance companies to avail the health insurance policies. Respondents were not much aware regarding health insurance policies terms and conditions and according to them health insurance companies are not transparent.

Shivany M Vinoth(2018) Health insurance should be made mandatory all over India. There should be a basic policy mandatory for the population. But for the poor people who fall below the poverty line (BPL), they should be insured through any of the NHIS schemes as they offer very minimal premium. The employers who are unable to afford the health insurance schemes for their employees can issue a joint cost sharing, where both employee and employer will contribute. The employee's contribution can be fixed at a minimal level. This initiative is proven to have brought substantial improvement in the coverage in countries like China. Thus, India can also implement this method.

V. RESEARCH METHODOLOGY

Empirical research has been taken in to consideration under this research. The primary data has been collected from people through a questionnaire format. The Secondary data has been collected from different sources; news papers, website, magazine, health insurance bulletins, national & international journals, and books.

Type of Research: - Empirical research

Technique of Sampling: - Simple Random Sampling

Sample Unit: - Respondents from Bihar focused on PU adopted 5 villages.

Sample Size: - 200

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

Tools for Data Analysis: - Question wise Frequency percentage test

The Questionnaires have been classified according to the objectives of the research, in some cases the research outcome will fall in to one of the category but in other cases research outcome will fall in to two or more categories.

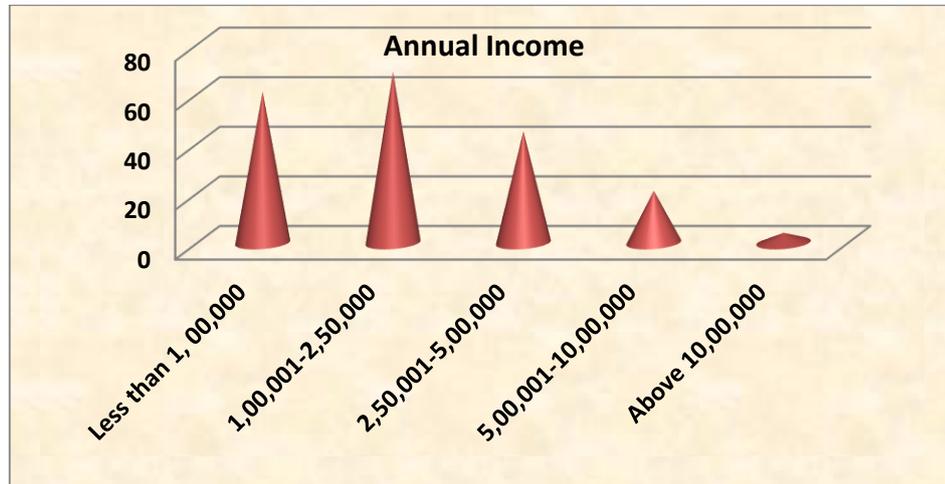
VI. ANALYSIS AND INTERPRETATION OF DATA

The health budget of the state in 2015-16, 16-17, 17-18, 18-19, and 19-20 were 4.1%, 5.4%, 4.4%, 4.3% and 4.8% respectively while the average health budget of the all states was 5.3%. It shows that Bihar govt spend lowest amount of total budget on health.

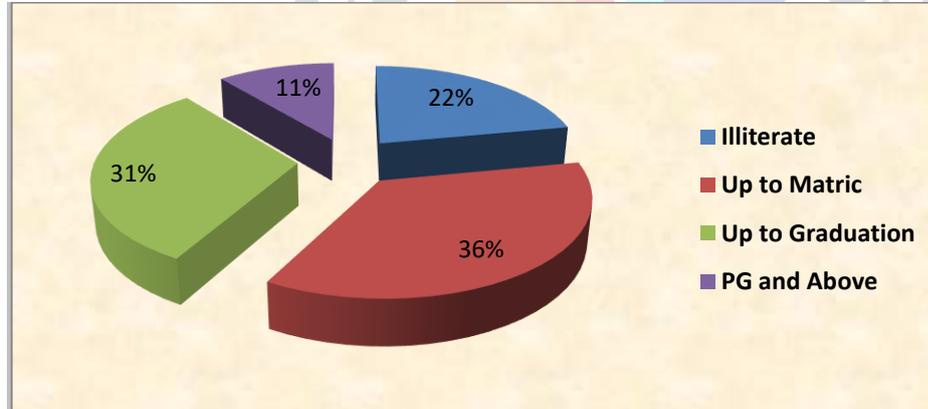
The NITI Aayog brings out a **Healthy States Progressive Report of India** in June 2019. The report reveals that **Bihar is the least healthy performing state in India** and places it on the 20th out of 21st rank.

To understand the scenario of Health Insurance and Awareness among the people of Bihar, we conducted a survey in 2019 among 200 respondents from different class, age groups, gender, education, occupation, and income groups. Survey reveals that 75% respondents were male and 25% were female. 60% respondents' were up to 40 years age and rest 40% was over 40 years age.

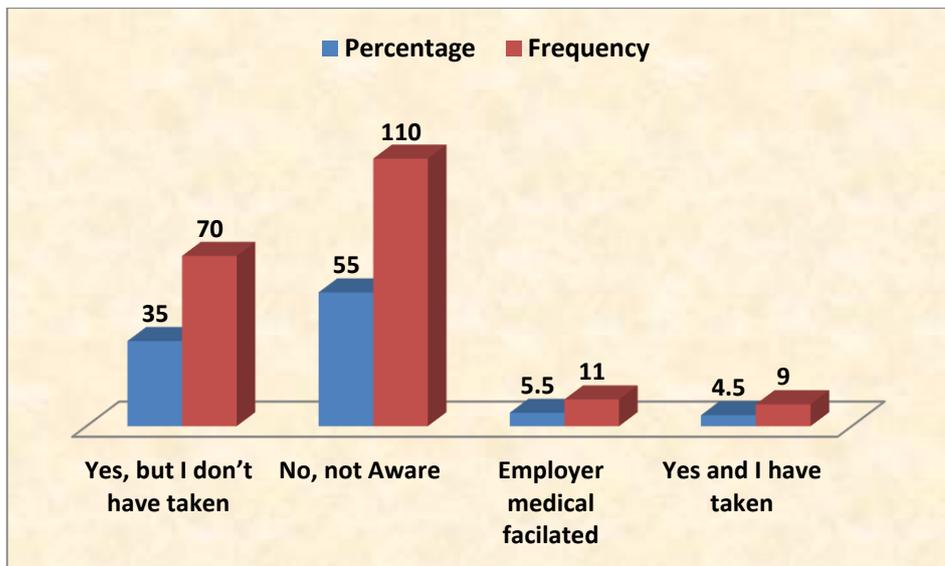
1. % of respondents Annual Income



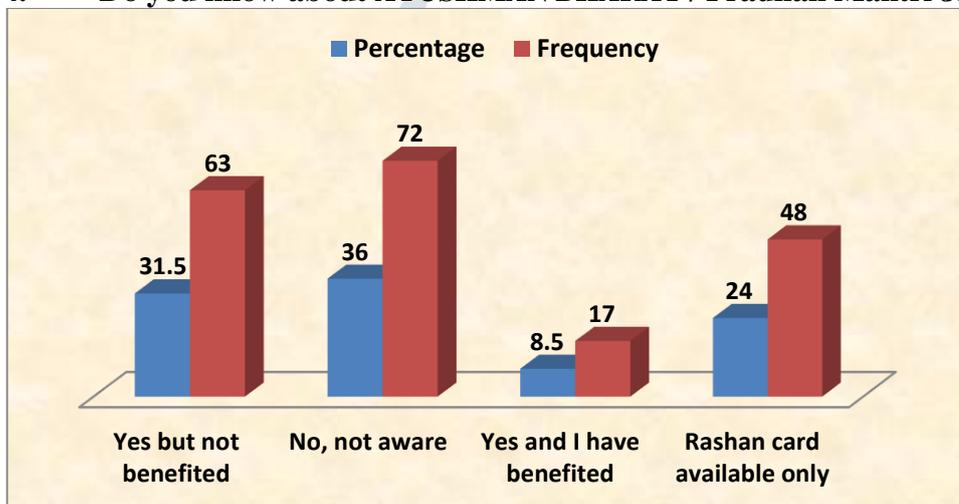
2. % of respondents educational qualification



3. Do you know about Health Insurance?



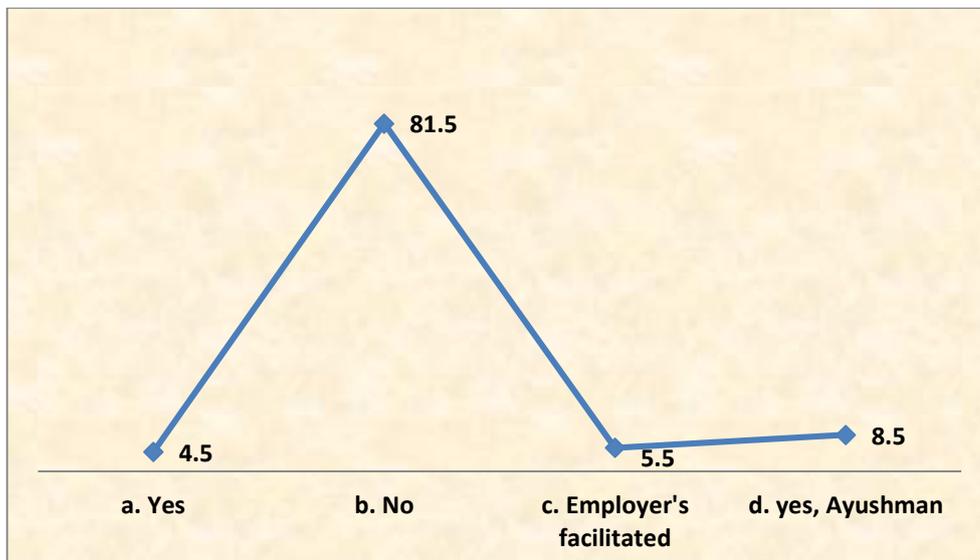
4. Do you know about AYUSHMAN BHARAT / Pradhan Mantri Jan Arogya Yojana?



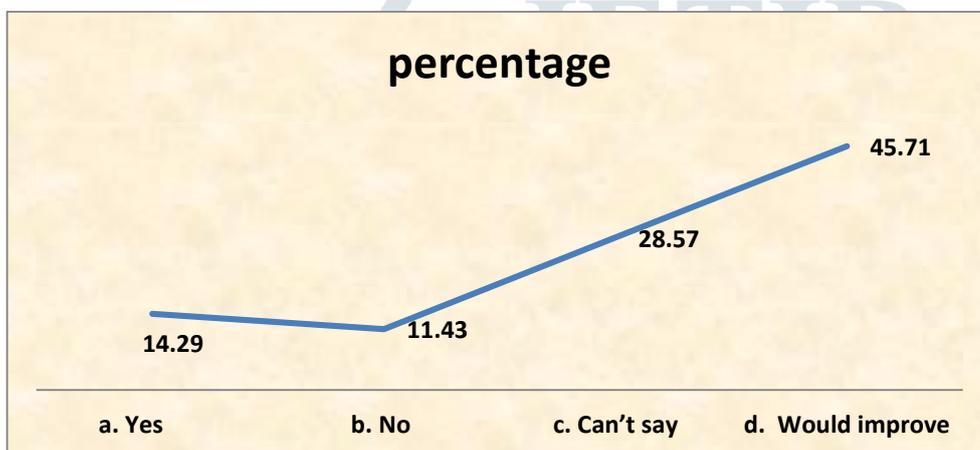
5. Why have you not taken Health Insurance policy?



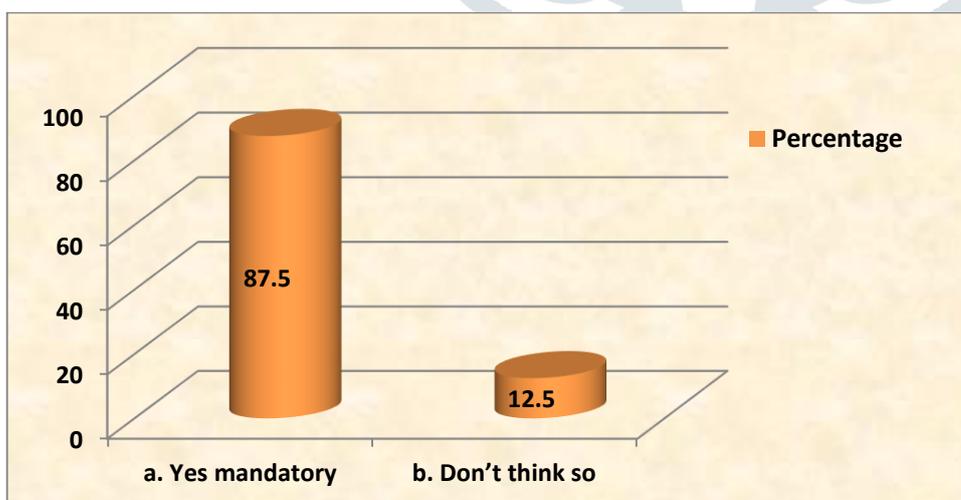
6. Do you have any Health Insurance policy?



7. Do you agree that the services provided by the insurance companies are effective?



8. Do you think that health insurance should be mandatory by the government?



VII. FINDINGS

From the above questionnaire survey, it was found that:-

- The data pertaining to Annual Income reveals that Bihar having a wide spread of poverty. Among all the respondents 65% respondents have very low income (up to 2.5lakh only), 22.5% fall under 2.5 to 5 lakhs income group and 10.5% are under 5 to 10 lakhs income group and only 2% are above 10 lakhs income group.

- Education and Health play vital role in any developed state. As far as health awareness is concerned, education becomes more important but Bihar is lagging behind the national average of literacy and higher education. This is affecting health consciousness in state which is clear in the survey. The SDG index 2019 report of India given by NITI AYOOG is also confirming the situation.
- It is a matter of grave concern that 55% respondents have no knowledge about Health Insurance. Some of them were having knowledge about Life Insurance but Health Insurance was completely new for them. Small parts (35%) of the respondents have knowledge of Health Insurance but still they do not have purchased the policy. This shows the carelessness of people regarding health insurance. 5.5% are availing medical facilities through their employer and rests 4.5% are insured. This indicates a big failure of health insurance companies in catching the people. Question no.4 shows that 8.5% respondents are availing Ayushman Bharat HI scheme and 24% respondents have rashan card and they are also eligible for the scheme. It indicates that Government should have some schemes for rest 67.5% people who deserve but out of these schemes.
- It is observed that 48% respondents are not availing the scheme because there is big difficulty to approach agents; no one suggested them to avail even friends and relatives. 19.27% respondents have low salary or non availability of funds. 13.49% respondents blamed about high premium, not refundable, narrow policy options and lack of reliability & flexibility. They have not purchased the policy and they would like to invest in some other field. 11.68% said that we do not feel the need and rest 7.56% respondents don't like to buy because they can manage it. Question no. 6 reveals that total 81.5% respondents do not have any type of health security which indicates a great carelessness among the people.
- It is observed that only 14.29% respondents are satisfied with the insurers' services and terms & conditions, 11.43% not satisfied, 28.57% not answered because they have newly insured and 45.71% said it would improve. This indicates that insurers must improve their services and satisfy the customers for faire marketing strategies.
- Surprisingly about 96.07% respondents are of the view that health insurance should be made mandatory by the government. Among them 65.45% are of the view that it should be mandatory from birth and 21.21% view that it should be mandatory like Aadhar and only 3.03 % are not in favour of making it mandatory.

VIII. CONCLUSION

In this era, there is no doubt to say “Health is Capital and Health insurance is return on investment” of life trade. Therefore it is proving a boon for all over the world but people are not very much attentive on health in Bihar. Hence, Ignorance and weak economic conditions are most responsible factors hampering health consciousness in this state. Education, income and Approaches are very useful to increase the level of awareness. Health Insurance companies need to improve their facilities and spread their branches all over the state. They must introduce some cheap and useful policies for deprived people. Government should make Health Insurance policy mandatory for all. Entire BPL families must be benefited from Ayshman Bhararat health insurance scheme launched by the central government. Some schemes for deprived citizen need to be initiated by the government.

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