



STUDY ON THE ATTITUDE OF WORKING YOUTH TOWARDS HEALTH INSURANCE

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ABSTRACT

Health is a crucial aspect. Healthy population tend to have longer life span & significantly contributes to economic progress. In order to have healthy population its critical to have Health Insurance. Nowadays Insurance companies are providing customized plan to suit the needs of different customers. Government also provides free health care services to backward classes. Purpose of this study is to determine attitude of Mumbai working youth towards health insurance. Descriptive method was adapted for study and the data was collected through survey method. A total number of 131 respondents from Mumbai and its suburban area (Male 51%, female 49%) were surveyed online with the help of Google form consisting of multiple structured questions. There is a need to examine lifestyle changes and health problems of the youth. The paper also studied the growth in health insurance during pandemic. It was found that there has been a rising demand for health insurance policies post covid-19 which indicates growth. Findings of this research concluded that among sampled young adults, majority of working youth have positive attitude towards health insurance. Knowledge of policy terms and awareness regarding benefits of health insurance has increased.

KEYWORDS -

Lifestyle changes, health insurance, awareness, pandemic, attitude, growth, working youth

INTRODUCTION

Mumbaikars usually have unhealthy food on daily basis and their lifestyle involves a lot of sitting with lack of exercise. Young people's health is the most valuable and crucial for the development and rise of any country. The youth of Mumbai is suffering from health impacting behaviors and conditions that need attention of policymakers. Attitude- "A mental or neural state of readiness, organized through experience, exerting a directive or dynamic influence on the individual's response to all objects and situations to which it is related" (Allport, 1987, p. 810). It is crucial to understand their attitude towards health insurance policy and identifying strategic approaches to protect their health. India has an approx. 67% working population out of which 30% of population is in the age group 20 years to 30 years. Similarly, there are a large number of working youth in India's business capital Mumbai. The youth of Mumbai generally have a very busy life where most youth spend an average of 2 hours commuting between home and work place. This along with long working hours including work stress and less holidays result in almost no time for fitness in their day to day lives. Due to their busy lifestyle they tend to prefer fast food 2 to 3 times a day which is not good for health and one cannot guarantee that the food will be prepared by keeping the hygiene factor in check. Alcohol, junk food, a carefree and sedentary lifestyle has led to a large number of working youth suffering from obesity, heart and other lifestyle diseases. Many young adults already have single or multiple chronic illnesses, and more importantly, many are engaging in lifestyle behavior's that may affect their risk of disease in the future. An increase in illness has led to the importance of health insurance policies among the youth. Health insurance is especially useful in the period of health crisis.

OBJECTIVES

- To examine growth in health insurance industry during pandemic.
- To analyze the attitude of working youth towards health insurance.
- To analyze factors influencing youth towards purchasing health insurance policies.

RESEARCH METHODOLOGY

Quantitative approach is applied in the study. Method used to collect descriptive data is survey research. It helps to measure perception, attitudes, behaviors, or characteristics of a group of people. The study used a sample of 131 respondents which included people from age group ranging from 20 years to 30 years. People from various educational qualifications and job profiles were involved like Businessman, Professional, self-employed, service. The aim of this study is to understand the attitude of working youth towards health insurance and to recognize whether there are any changes brought in health insurance sector post pandemic. The primary data for the study has been collected by designing a questionnaire in the Google form consisting of multiple questions for both, the ones who have health insurance policy also the ones who don't have a health insurance policy. The questions were based on the use and awareness of health insurance policy since pandemic begin.

The secondary data was collected from different sources like health insurance bulletins, research publications and various other websites.

LITERATURE REVIEW

(Yang, 2016) Young Adults' Attitudes and Perceptions on Health Insurance and their Health Insurance Literacy Levels [Master's thesis, Minnesota State University, Mankato]. Cornerstone: A Collection of Scholarly and Creative Works for Minnesota State University, Mankato. The study aims to determine the health insurance literacy levels attitudes and perceptions about health insurance among young adults aged 18 – 24 years. It was concluded that most of the participants had positive attitudes and perceptions towards health insurance, such viewing health insurance as something important to them and important to their health.

(Jambusaria, 2020) presented the paper on the topic "Research paper on physical activity and fitness patterns among university students in Mumbai." The study aimed to understand the physical activities and fitness patterns of the university students in Mumbai. 52% of the respondents were females whereas males were 48%. It was concluded that when it came to the reasons why people exercise, the most common ones were to get fitter or stronger or achieving a positive feeling. Based on the findings it can be said that there is need to create some serious awareness of the importance of physical activity in one's daily life and its benefits.

(Thampi, 2019) presented the paper on the topic, "Attitude towards and utilization of health insurance in a metropolitan city: a cross-sectional study." The objectives of the study is to assess the level of awareness about health insurance among principal earning members in a metropolitan city and determine the various sources of information, ascertain the factors that influence the decision of subscribing to private health. The study population was mostly composed of males (88%). A majority of the respondents were in the late 30s or early 40s (71.1%). It also examined the utilization patterns of health insurance by the insured. It was concluded that out of the 201 respondents, 132 were aware about health insurance and around 13% of the participants were willing to avail health insurance if their conditions were fulfilled.

(Dr. Dharmendra S. Mistry, 2020) presented the paper on the topic, "Consumer Buying Behavior towards Health Insurance in Gujarat." The study aims to study buying behavior towards health insurance as well as to understand the factors influencing the purchase decision of health insurance policies in the state of Gujarat. The study has been based on Primary data collected through structured questionnaire. There is significant influence of demographical factors on buying behavior towards health insurance of the respondents.

Awareness is found to be very low about selection of suitable health insurance products.

(Binny, 2017) presented the paper on the topic, "Health Insurance in India – Opportunities and Challenges" the study presents health Insurance scenario, opportunities and challenges of Health Insurance Companies in India and to analyze the growth opportunities in the sector. The present study is descriptive in nature which will be mainly based on Secondary data like Internet search, books, journals, reports, articles written by Insurance personnel. It was observed that Health insurance sector has immense opportunities as this sector maintained double digit growth last fiscal year. Health Insurance has been witnessing a rapid expansion and has significant growth potential for future as well.

(Nawkhare, 2020) studied the basics of health insurance market. The corona pandemic has pushed business across sectors to change the way they operate and the health insurance industry is no exception. From sold new policies to the customer to settling claims, the extended lockdown in the wake of COVID-19 has pushed

insurance companies to depend heavily on their digital architecture. A lot of insurance providers are making customized plans to ensure coverage affected. This paper is attempting the study about health insurance post COVID-19 and how it impacts the health insurance sector. It was observed that opportunity for insurance companies and understand the customer point of view towards health insurance, people had more awareness of health insurance. Customer and company depend heavily on their digital architecture. Majority of the companies were coming up with covid-19 plan which include in their existing policies.

(Insurance industry report, Nov 2021) Presently, the future looks promising for the life insurance industry with several changes in regulatory framework. Between April 2021 and September 2021, gross premiums written off by non-life insurers reached 108,705.3 crore (US\$ 14.47 billion), an increase of 12.8% over the same period in FY21. The market share of private sector companies in the general and health insurance market increased from 47.97% in FY19 to 48.03% in FY20. In July 2021, standalone private health issuers registered a premium growth of Rs. 1,753 crore which has shown an increase of 27.5% . In March 2021, health insurance companies in the non-life insurance sector increased by 41%, driven by rising demand for health insurance products amid COVID-19 surge.

RESULT AND SUGGESTIONS -

Profile of respondents:

Table – 1: Demographics of the respondents

Parameters	Numbers	Percentage (%)
Gender		
Male	67	51%
Female	64	49%
Total	131	100%
Having health insurance		
Male	48	59%
Female	33	41%
Total	81	100%
Age		
Below 20	16	12%
20-24	45	34%
24-28	49	37%
28-30	21	16%
Total	131	100%
Occupation		
Profession	42	32%
Business	34	26%
Self - employed	37	28%
Service	18	14%
Total	131	100%
Place		

Mumbai city	60	46%
Mumbai suburbs	71	54%
Total	131	100%
Monthly income		
20000 - 40000	14	11%
40000 - 80000	46	35%
80000 - 100000	49	37%
Above 1 lakh	22	17%
Total	131	100%

Table 1 above shows the demographics of the respondents to our survey. A total of 131 individuals of different gender, age group, occupation and income bracket have responded.

It was observed that 51% of respondents are male and the rest 49% are female. It is observed that a slightly greater number of males have responded to the questionnaire.

Out of the 131 respondents, 81 have health insurance policies out of which 59% are male and the remaining 41% are female.

When it comes to age, only 12% respondents belong to age group below 20. 34% respondents belong to age group of 20-24, 37% respondents belong to age group 24-28 and 16% of respondents belong to the age 28-30.

The data also shows the occupation of the respondents. 32% are professionals, 26% of respondents are into business, 28% are self-employed and only 14% are in service.

It was seen that 46% of respondents are from Mumbai city and 54% of them belong to Mumbai suburbs area. The survey also showed the monthly income of the respondents. 11% of respondents have their monthly salary in the 20000-40000 income bracket, 35% in 40000-80000 monthly income bracket, 37% respondents in 80000-100000 category and the remaining 17% have a monthly salary of above 1 lakh.

Income wise and gender wise purchase behavior-

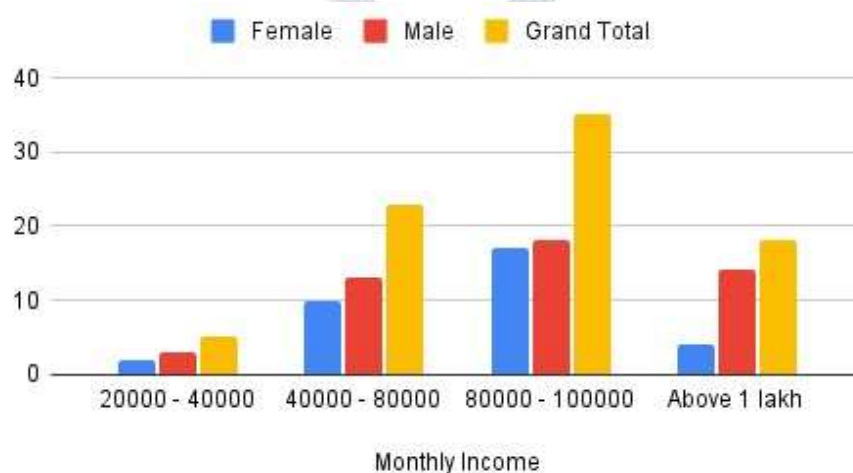


Figure 1: Monthly income and gender wise purchase behavior

From the survey conducted about the respondents having health insurance in relation with their income, it was observed that males and females having income between eighty thousand to one lakh have purchased more insurance policies, that is 17 and 18 respectively compared to the respondents belonging to other income

brackets. Respondents of income bracket 20000-40000 have the least number of policyholders, that is 5. Respondents with lower income have purchase few numbers of policies that is only 5 as compared to respondents belonging to middle and higher income due to the fact that a large number of them have found that the policies are not as affordable as they would have wanted.

Reasons for taking health insurance policy-

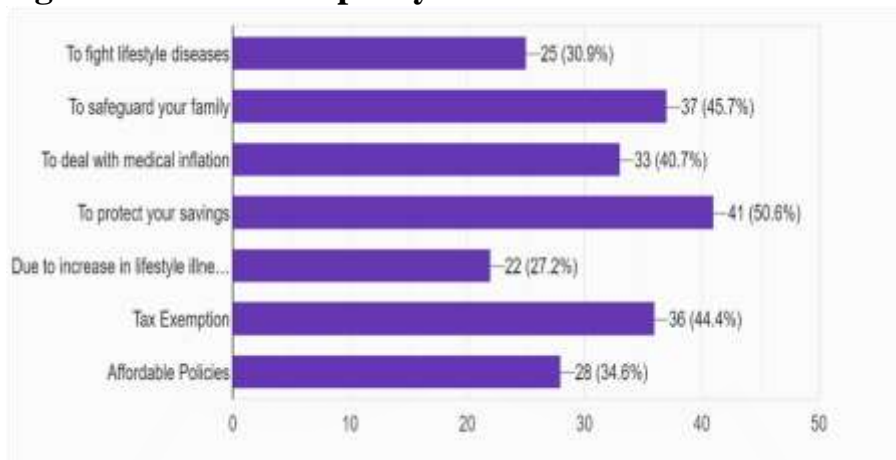


Figure 2: Reasons respondents took health insurance policy

In figure-2 above, it is observed that 50.6% of people have taken the health insurance policy to protect their savings in case of sudden medical expenses followed by 45.7% to safeguard their families. Similarly, 44.4% people purchased health insurance for tax exemption, 40.7% of them to deal with medical inflation, 34.6% due to affordable policies, 30.9% to fight lifestyle diseases and 27.2% respondents due to increase in the lifestyle illnesses. It was observed that maximum respondents have purchased health insurance policies because they don't want to make holes in their hard-earned savings.

Growth in purchase of health insurance policies-

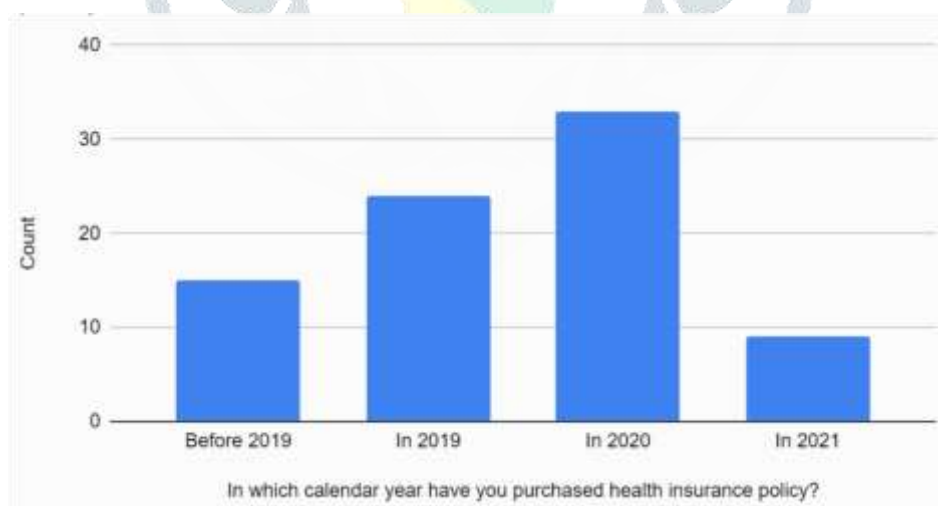


Figure 3: Years and the purchase of health insurance policies

As seen in the graph in figure 3, calendar year in which health insurance policy is purchased by the respondents observed that there is significant growth in the number of policies purchased post pandemic. Before 2019 only 18.5% people purchased health insurance policy. Due to global pandemic hit percentage increased from 29.6% in 2019 to all time high 40.7% in 2020. In 2021 number of policies decreased that is only 11.1% population purchased health insurance policy. It was also known that a large number of respondents started earning in the year 2020.

Type of health insurance policies preferred-

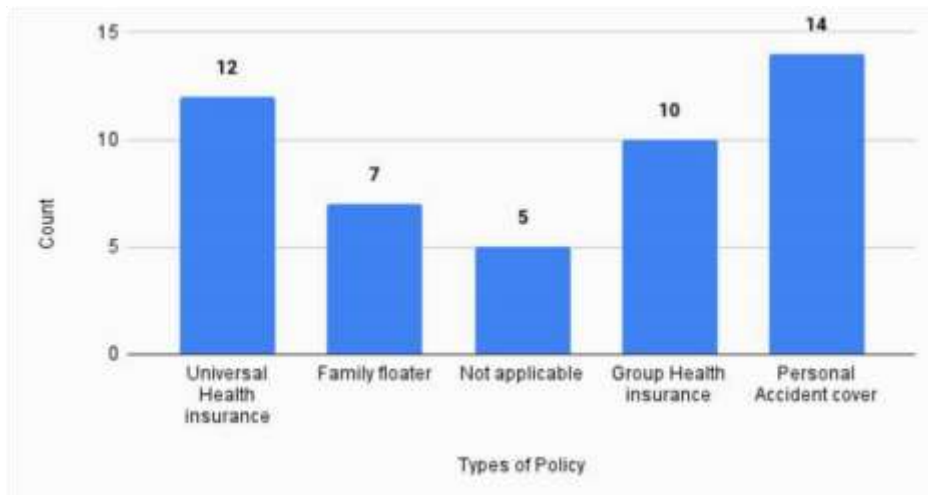


Figure 4: Different types of policies preferred

Respondents were asked about the type of health insurance policy preferred by them. Four types of policies as mentioned in the graph above were provided. Majority of the public prefer personal accident cover more than family floater. Universal health insurance is taken by 12 people. Group health insurance is given by their employers for health coverage of employees and their family. Preference is not applicable for those who have not taken the health insurance policy.

Awareness of benefits-

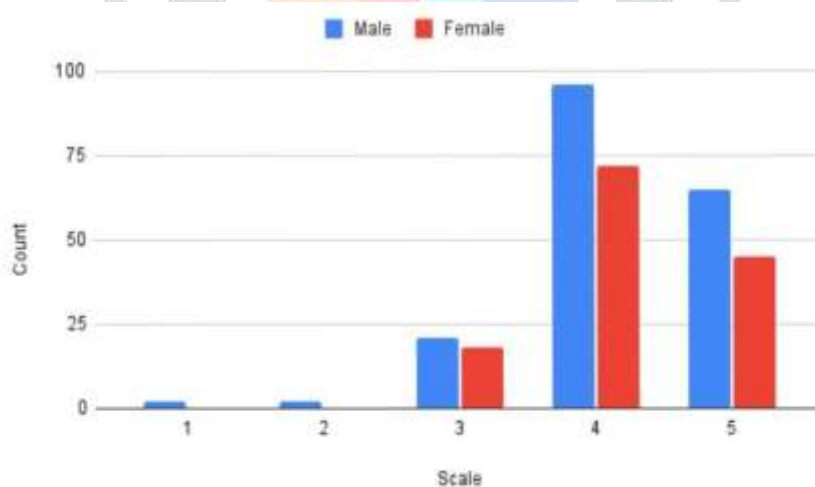


Figure 5: Awareness of benefits among people having policy

On the scale of 1 to 5 policyholders were asked to rate the level of awareness about the benefits provided in their health insurance policy. The above graph represents Male are more aware about the benefits as they either take their policies on their own or they compare with other policies before purchasing policy to decide which policy is best suitable for them. Female are a little lacking behind in awareness of benefits than male.

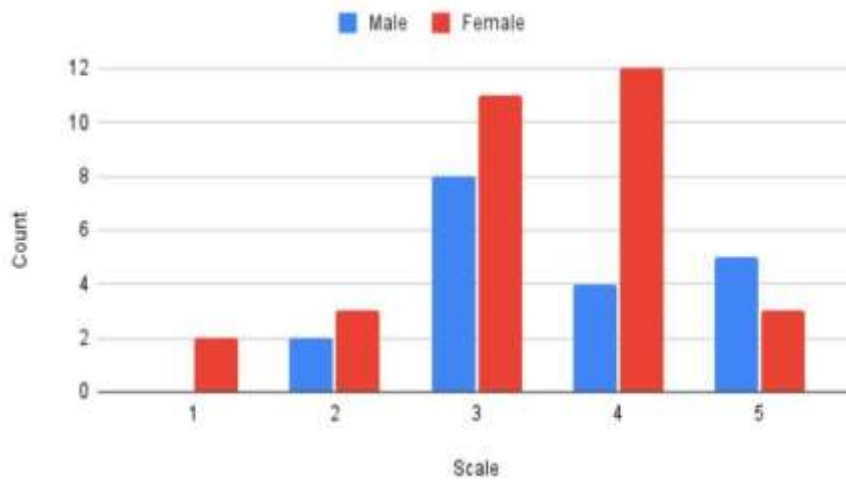


Figure 6: Awareness of benefits among people not having policy

The level of awareness is also measured for those who do not have health insurance. From this it can be interpreted that those females who have not purchased health insurance policy are aware about the benefits more than male as they have rated the level of awareness on a scale which ranges from 1 to 5. Men with policy have more awareness of its benefits than those who don't have policy. As we can see in the graph, maximum female respondents have rated their level of awareness as 3 and 4, which has reached the highest level. **How likely they are going to purchase?**

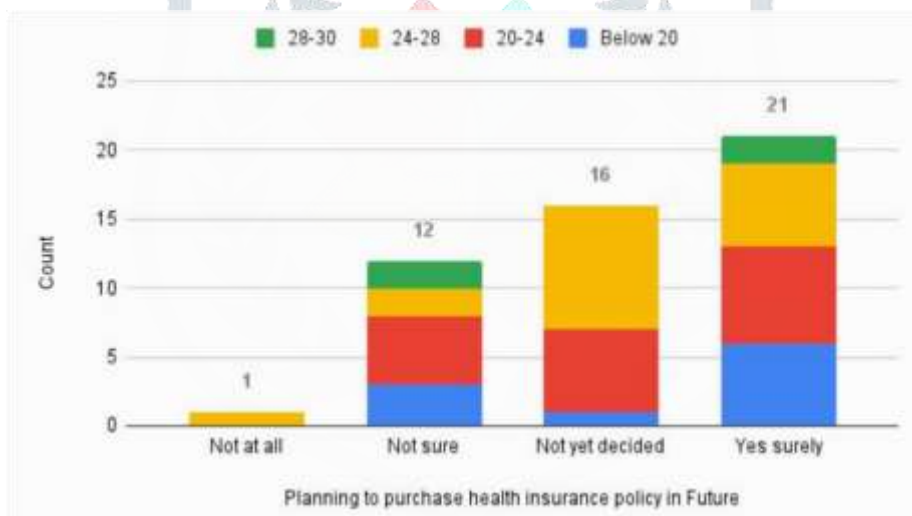


Figure 7: Likelihood of purchase of health insurance in the future

The above bar graph represents those who have not purchased the policy how likely they are going to purchase health insurance policy in the future. Where youth is taken into consideration to identify their perception for buying policy in the near future. A very negligible percentage of people have denied to buy. Total 16 people of different age groups have not decided whether to buy or not, and 12 are not sure about buying due to various reasons. 21 have decided to surely buy the policy in the future. It has been observed that the maximum number of people will surely be purchasing health policies due to the fact that many insurance companies have been successful in making their presence felt in the market. Many individuals have also realized the need for insurance due to an increase in sudden medical expenses.

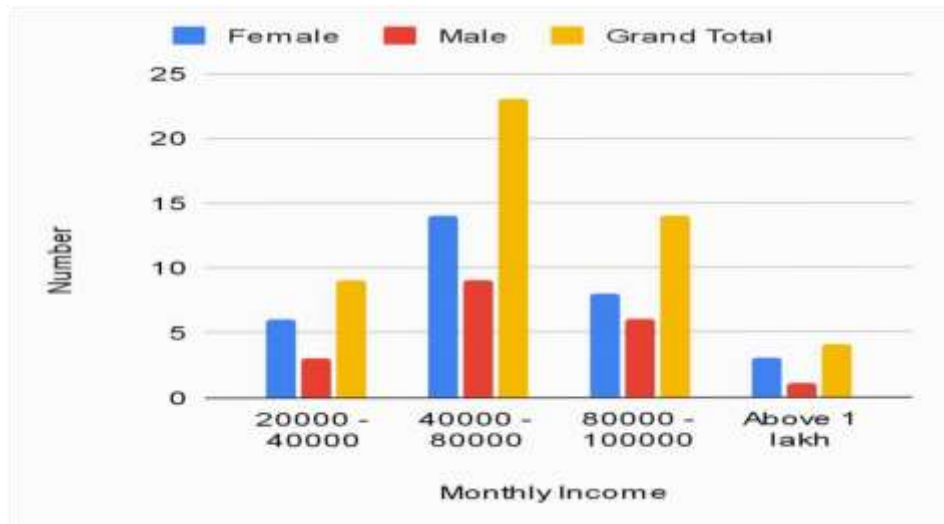
Insurance not taken gender wise, income wise-

Figure 8: Monthly income and not taken health insurance

According to the survey conducted about the respondents not having health insurance policy with relation to their income it can be interpreted that number of females have not taken insurance. Large number of females and males that is 14 and 9 respectively out of 25 with income 40000 to 80000 have not purchased health insurance policy. Compared to female percentage of men who don't have policy is lower. Male and female with income 20000 to 40000 shows a small amount of people have not taken policy. Similarly with income above 1 lakh less than 5 people have not taken policy. People with income 80000 to 1 lakh who have not purchased policy are slightly lower than those with income 40000 to 80000.

FINDINGS:

1. Majority have preferred Personal accident cover and universal health insurance type of policy which has direct impact on health and welfare.
2. There was lack of awareness before covid-19 currently the insurers claim that it has become a major concern and enquiries about health insurance policy is increased by 30 to 40 %
3. From the survey conducted it came into notice that many are planning to purchase health insurance policy in future.
4. People with low monthly income are less likely to purchase health insurance policy as compared to people with medium and high monthly income. This is due to the fact that many respondents feel that the policy rates are not affordable for each stratum of society.
5. Few of the Major reasons for individuals taking health insurance is to protect their savings, to safeguard their families, tax exemption, to deal with medical inflation and to fight lifestyle diseases.
6. Majority of the insurance companies were come up with covid-19 plan which include in their existing policies.
7. People are willing to Purchase new health insurance policy for individually and some of them for their family but not all, there was some people who don't know about insurance policies.
8. Cashless claim settlement is preferred by 55.6% people and reimbursement is Preferred by 44.4%

9. High cost of health insurance policy discourages young adult for buying.
10. Youth has a common belief that they are healthy and immune to many health problems.
11. People have refused to buy health insurance as they get cover from employer under group health insurance policy.

CONCLUSION:

Being in 20s can be an exciting phase for one's life. When they start their career, they have many aspirations, targets, goals, and liabilities that vie a piece of the salary-pie. This is a phase that thereby calls for financial planning. Youngsters are generally not faced with health complications, hence the requirement for insurance takes a back-seat. While it is true that medical complications increase with age, it cannot be assumed that youngsters are immune to health-related issues. The pace of modern life is changing which brings its own set of different stresses and challenges. One can no longer correlate diseases and age at all. Also, people of any age can be affected by certain events like accidents and health insurance policies cover such eventualities as well. It also makes sense to take insurance when you are young and healthy because as you grow older and beset by health-related problems, it becomes difficult to get insurance cover and even if available, it might come in a restricted form. Often the youth believe that they are single and young so health insurance is not a priority for them - Health insurance is important irrespective of one's marital status. This is because most insurance plans are scalable and one can alter the cover as per the changing requirements through their lifecycle. Not to forget, a family floater also covers your dependent parents. Buying Health Insurance also comes with a key benefit that will help one save tax under section 80D of the Income Tax law. Ample of options are available ranging from a Sum Insured of Rs. 50,000 to Rs. 30,00,000 and tenure of 1 to 2 years. It was clearly seen in the study that a large number of youths have purchased health insurance in the year 2020 due to the emergence of the covid-19 pandemic and today's youth have understood the importance of safeguarding themselves as well as their families. The pandemic also provides an opportunity for insurance companies to innovate and serve the evolving needs of a more informed population. Several insurance companies have launched COVID-19 insurance products in March 2020 and in July 2020. Other companies may follow get-up and introduce such products. These products tend to be short term and carry fixed benefits, covering a fixed amount in excess of the hospitalization schemes.

SUGGESTIONS:

1. Rising cost of health care should be reduced to facilitate everyone.
2. Better utilization of health care facilities should be done.
3. Although people are getting familiar with health insurance yet there is lack of awareness in rural areas for which steps need to be taken by the Government.
4. In India, there is need of universal health insurance program with the intention to enhance people's access of health care especially for families below the poverty Line.
5. In order to avoid ambiguity of insurance policies IRDA guidelines and rules for health and Mediciam insurance should be taken into consideration.

SUGGESTIONS FOR FURTHER RESEARCH:

1. A large geographical area needs to be considered to know the true attitude of the working youth towards health insurance.
2. The study can find the awareness among the youth about the health insurance policies before pandemic times and after the emergence of covid-19.
3. Health insurance company should be approached to get more insights about the preferences of insured persons.
4. Reasons for increasing health care cost and how to minimize the cost.

LIMITATIONS:

1. Financial resources
2. Subjects' willingness to take the survey
3. Data collected is cross sectional in nature which holds true only for Mumbai
4. The present study has also faced problems due to some external factors which were out of control. Though an effort has been made to ensure correctness of data collected, it might be possible that some of the respondents have not provided accurate data.
5. Quantitative method i.e., survey was used and thus it does not convey meaning and emotion. Only descriptive statistical tools were used to analyze the responses.

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