



# CONSUMER PERCEPTION TOWARDS HEALTH INSURANCE - A COMPARATIVE STUDY

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## **Abstract:**

In the present globalised and industrial society, human beings are being exposed to various diseases due to pollution. Also various other conditions are prevailing. So, to get rid of health risks it is becoming difficult. So to meet the medical expenses for health problems, the concept of health insurance came into existence. Health insurance is a contract between the insurer (the company) and the insured (the customer) such that later will pay an amount at regular intervals known as premium and the former will pay the amount on the happening of the event. The event may be the diseases/surgeries which will be predefined and mentioned in the policy conditions. Consumers need to know about the different policy conditions in addition to the diseases coverage. There exists a difference in the awareness about health insurance among urban and rural consumers. Hence, in this paper an attempt is made to study about the difference in the consumer awareness among urban and rural consumers towards health insurance. It also studies the requirements of the consumers regarding health insurance.

**Keywords:** - Health Insurance Company, Premium, Urban and Rural Consumers

## **INTRODUCTION:**

Due to serious conflicts arising out of wrong selection, risks, and communication gap Health Insurance is becoming a complicated sector. In this changing epidemiological, institutional, industrial, and political scenario, the formulation, evaluation and implementation is an difficult task. Further, given the institutional complexity of our health sector programmes and the pluralistic character of health care providers, health sector reform strategies in the context of health insurance that have evolved elsewhere may have very little suitability to our country situation. Proper understanding of the Indian health situation and application of the principles of insurance keeping in view the social realities and national objective are important.

## **Objectives of the Study:**

1. To study the awareness about health insurance among the public.
2. To compare the urban and rural consumers awareness.

## **RESEARCH DESIGN:**

- **Research Instrument:** The research instrument selected for the study is structured questionnaire.
- **Area of the Study:** The geographical area selected for the study is confined to combined karimnagar district.
- **Sample Size:** The sample size selected for the study is 120 urban and rural consumers.
- **Sampling Technique:** The sampling technique used is Convenient Sampling Technique.

**Data Analysis and Interpretation:****Demographic Profile:****Age Group:****Urban:**

- 39.17 per cent of the urban respondents are in the age group of 40 to 50 years followed by 28.33 per cent in between 18 to 28 years, 18.33 per cent in between 28 to 40 years, and 7.5 per cent more than 60 years and 6.67 per cent in between 50 to 60 years.

**Rural:**

- 51.67 per cent of the rural respondents are in the age group of 18 to 28 years followed by 23.33 per cent in between 28 to 40 years, 14.17 per cent in between 40 to 50 years, 5.83 per cent in between 50 to 60 years and 5 per cent above 60 years.

**Gender:****Urban:**

- 56.67 per cent of the urban respondents are males and 43.33 per cent of them are females.

**Rural:**

- 67.67 per cent of the rural respondents are males and 32.33 per cent of them are females.

**Qualification:****Urban:**

- 50.83 per cent of the urban respondents are graduates followed by 18.33 per cent are post graduates, 15.83 per cent are having secondary education, 9.17 per cent are having primary education and 5.83 per cent of them are illiterates.

**Rural:**

- 38.33 per cent of the rural respondents are illiterates followed by 27.5 per cent are having primary education, 15.83 per cent are having secondary education, 11.67 per cent of them are graduates and 6.67 per cent are post graduates.

**Occupation:****Urban:**

- 31.67 per cent of the urban respondents are private employees followed by 27.5 per cent are government employees, 22.5 per cent are professionals, 18.33 per cent are doing business and none are doing agriculture.

**Rural:**

- 40.83 per cent of the rural respondents are doing agriculture followed by 27.5 per cent are doing business, 14.17 per cent are private employees, 11.67 per cent are government employees and 5.83 per cent are professionals.

**Annual Income:****Urban:**

- 31.67 per cent of the urban respondents are having annual income in the income range of Rs. 10, 00, 000 to Rs. 20, 00, 000 followed by 27.5 per cent are having more than Rs. 20, 00, 000, 22.5 per cent are having in between Rs. 3, 00, 000 to Rs. 10, 00, 000 and 18.33 per cent are having in between Rs. 1, 00, 000 to Rs. 3, 00, 000.

**Rural:**

- 40.83 per cent of the rural respondents are having less than Rs. 1, 00, 000 followed by 27.5 per cent are in between 1, 00, 000 to 3, 00, 000, 14.17 per cent are in between 10, 00, 000 to 20, 00, 000, 11.67 per cent are above 20, 00, 000 and 5.83 per cent are in between 3, 00, 000 to 10, 00, 000,.

**Awareness on Various Health Insurance Policies Offered:****Urban:**

- 42.5 per cent of the urban respondents are having awareness on various health insurance policies offered followed by 39.17 per cent are having little awareness and 18.33 per cent are not having any awareness.

**Rural:**

- 52.5 per cent of the rural respondents are not having awareness on various health insurance policies offered followed by 24.17 per cent are having awareness and 23.33 per cent are having little awareness.

**Source of Awareness on Various Health Insurance Policies Offered:****Urban:**

- 28.33 per cent of the urban respondents are having awareness through insurance agents followed by 22.50 per cent through mobile sms, 18.33 per cent through internet, 14.17 per cent through T.V., 9.17 per cent through other sources and 7.50 per cent through newspapers.

**Rural:**

- 44.17 per cent of the rural respondents are having awareness through insurance agents followed by 18.33 per cent through other sources, 12.50 per cent through mobile sms, 9.17 per cent through newspapers and T.V. and 6.67 per cent through internet.

**Sufficiency of Health Insurance Coverage:****Urban:**

- 44.17 per cent of the urban respondents felt that their insurance coverage is not sufficient followed by 31.67 per cent are felt that it is sufficient and 24.17 per cent are of neutral opinion.

**Rural:**

- 47.5 per cent of the rural respondents are of neutral opinion followed by 26.67 per cent of them felt that their insurance coverage is not sufficient and 25.83 per cent felt that it is sufficient.

**Coverage of Network Hospitals:****Urban:**

- 47.50 per cent of the urban respondents are having awareness on coverage of network hospitals followed by 38.33 per cent are having awareness to some extent and 14.17 per cent are not having awareness.

**Rural:**

- 70 per cent of the rural respondents are not having awareness on coverage of network hospitals followed by 15.83 per cent are having awareness and 14.17 per cent are having awareness to some extent.

**Types of Diseases Covered:****Urban:**

- 45.83 per cent of the urban respondents are having awareness on diseases covered followed by 28.33 per cent are having awareness to some extent and 25.83 per cent are not having awareness.

**Rural:**

- 56.67 per cent of the rural respondents are not having awareness on diseases covered followed by 21.67 per cent are having awareness and are having awareness to some extent.

**Types of Diseases Exempted:****Urban:**

- 42.50 per cent of the urban respondents are having awareness on diseases exempted followed by 34.17 per cent are having awareness to some extent and 23.33 per cent are not having awareness.

**Rural:**

- 57.50 per cent of the rural respondents are not having awareness on diseases exempted followed by 24.17 per cent are having awareness and 18.33 per cent are having awareness to some extent.

**Conclusion:**

Most of the urban consumers are aware of various health insurance policies offered compared to rural consumers. Urban consumers are not satisfied with the sufficiency of their insurance coverage. Most of the urban consumers are aware of coverage of network hospitals, types of diseases covered and exempted compared to rural consumers. Therefore there is a need to make the rural consumers aware about health insurance to increase the insurance penetration.

TABLE - I  
DEMOGRAPHIC PROFILE OF RESPONDENTS - I

AGE GROUP (in Years)	NUMBER OF RESPONDENTS		GENDER	NUMBER OF RESPONDENTS		QUALIFICATIONS	NUMBER OF RESPONDENTS	
	URBAN	RURAL		URBAN	RURAL		URBAN	RURAL
18-28	34 (28.33)	62 (51.67)	MALE	68 (56.67)	74 (67.67)	Illiterate	7 (5.83)	46 (38.33)
28-40	22 (18.33)	28 (23.33)	FEMALE	52 (43.33)	46 (32.33)	Primary	11 (9.17)	33 (27.5)
40-50	47 (39.17)	17 (14.17)	--	--	--	Secondary	19 (15.83)	19 (15.83)
50-60	8 (6.67)	7 (5.83)	--	--	--	Graduation	61 (50.83)	14 (11.67)
>60	9 (7.5)	6 (5.00)	--	--	--	Post Graduation	22 (18.33)	8 (6.67)
TOTAL	120	120	TOTAL	120	120	TOTAL	120	120

Source : Questionnaire

Note : The Data in the parentheses represent percentage as total

TABLE - II  
DEMOGRAPHIC PROFILE OF RESPONDENTS - II

OCCUPATION	NUMBER OF RESPONDENTS		ANNUAL INCOME (in Rs.)	NUMBER OF RESPONDENTS	
	URBAN	RURAL		URBAN	RURAL
Agriculture	0	49 (40.83)	<1, 00, 000	0	49 (40.83)
Business	22 (18.33)	33 (27.50)	1,00,000 to 3,00,000	22 (18.33)	33 (27.50)
Professional	27 (22.50)	7 (5.83)	3,00,000 to 10,00,000	27 (22.50)	7 (5.83)
Private Employee	38 (31.67)	17 (14.17)	10,00,000 to 20,00,000	38 (31.67)	17 (14.17)
Government Employee	33 (27.50)	14 (11.67)	>20,00,000	33 (27.50)	14 (11.67)
TOTAL	120	120	TOTAL	120	120

Source : Questionnaire

Note : The Data in the parentheses represent percentage as total

TABLE- III  
Respondents Awareness on the Various Health Insurance Policies Offered

OPNION	NUMBER OF RESPONDENTS	
	URBAN	RURAL
YES	51 (42.5)	29 (24.17)
NO	22 (18.33)	63 (52.50)
TO SOME EXTENT	47 (39.17)	28 (23.33)
TOTAL	120	120

Source : Questionnaire

Note : The Data in the parentheses represent percentage as total

TABLE- IV

Respondents Source of Awareness of the Various Health Insurance Policies Offered

Source of Awareness	NUMBER OF RESPONDENTS	
	URBAN	RURAL
Insurance Agents	34 (28.33)	53 (44.17)
Newspapers	9 (7.50)	11 (9.17)
T.V.	17 (14.17)	11 (9.17)
Internet	22 (18.33)	8 (6.67)
Mobile SMS	27 (22.50)	15 (12.50)
Others	11 (9.17)	22 (18.33)
<b>TOTAL</b>	<b>120</b>	<b>120</b>

Source : Questionnaire

Note : The Data in the parentheses represent percentage as total

TABLE- V

Respondents Opinion on Sufficiency of Health Insurance Coverage

OPNION	NUMBER OF RESPONDENTS	
	URBAN	RURAL
YES	38 (31.67)	31 (25.83)
NO	53 (44.17)	32 (26.67)
Can't Say	29 (24.17)	57 (47.5)
<b>TOTAL</b>	<b>120</b>	<b>120</b>

Source : Questionnaire

Note : The Data in the parentheses represent percentage as total

TABLE- VI

Respondents Awareness on Coverage of Network Hospitals

OPNION	NUMBER OF RESPONDENTS	
	URBAN	RURAL
YES	57 (47.50)	19 (15.83)
NO	17 (14.17)	84 (70.00)
TO SOME EXTENT	46 (38.33)	17 (14.17)
<b>TOTAL</b>	<b>120</b>	<b>120</b>

Source : Questionnaire

Note : The Data in the parentheses represent percentage as total

TABLE- VII  
Respondents Awareness on Type of Diseases Covered

OPNION	NUMBER OF RESPONDENTS	
	URBAN	RURAL
YES	55 (45.83)	26 (21.67)
NO	31 (25.83)	68 (56.67)
TO SOME EXTENT	34 (28.33)	26 (21.67)
TOTAL	120	120

Source : Questionnaire

Note : The Data in the parentheses represent percentage as total

TABLE- VIII  
Respondents Awareness on Type of Diseases Exempted

OPNION	NUMBER OF RESPONDENTS	
	URBAN	RURAL
YES	51 (42.50)	29 (24.17)
NO	28 (23.33)	69 (57.50)
TO SOME EXTENT	41 (34.17)	22 (18.33)
TOTAL	120	120

Source : Questionnaire

Note : The Data in the parentheses represent percentage as total

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