

Policyholder's Perception towards Health Insurance Services-A Study

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Abstract

In the present modern world people are borne to various diseases due to several reasons like poor diet, improper sleep or work pressure. Therefore every family has to keep aside some amount of money to use it for medical expenses. If any unforeseen situation arise and if the expenditure incurred is beyond their family income limits it will make the financial situation worsen and sometimes leave the family into a bad position. So the concept of health insurance has come into existence to cover the risk of incurring medical expenses among individuals. If a person's health care risk is estimated and the income of the person is known, then the companies can easily estimate the amount that is available to cover the expenses to be incurred for health care benefits provided to the customer as per the policy document. Therefore, the present study has been undertaken to assess the policyholder's perception about health insurance service providers and more predominantly to study about the determinants that influence them while selecting the health insurance service providers.

Keywords: Customer Perception, Health Insurance, Health Insurance Policy.

Introduction

When money is lost, Nothing is lost;

When Character is lost, Something is lost;

When health is lost, Everything is lost.

The above quotation highlights the importance of health of a human being. Hence health is given top priority irrespective of age and gender. Good Health will not only protect him and his family members but also helps in long-term sustainable development of a country. To lead a happy life one should plan for good health and personal health must be analyzed regularly. For every person whether poor or rich, young or old, male or female, in the present situation everyone are prone to various diseases and in some situation treatment may becomes tougher which involves high costs. Due to the changes occurred in the life style diseases like heart problems, diabetes, stroke,

renal failure, cancer are becoming common now a days. But as the more specialists doctors are available mortality rate has been decreased. But the treatment does not come for free and incur huge costs. Accidents may happen or one may be prey to various diseases unfortunately, therefore the human beings need to be prepared for such unforeseen situations. Due to the high costs involved, one must get covered for various different health risks. Now a day's health care expenditure is consistently increasing in this situation more money are required to paid hospital bill or expenses, most of the people use out of pocket for the health care expenses or in some cases also sell his or her personal assets. Low-income households are more vulnerable to risks and economic shocks. One way for the poor to protect their health is through insurance. Thus the concept of health insurance is gaining importance in the present pandemic situation. Therefore keeping in view the importance of health insurance, an attempt is made to evaluate the policyholder's perception towards health insurance concept.

Objectives of the Study

- To study about the various services offered by the health insurance companies.
- To evaluate the customer perception about Health Insurance.
- To study the issues related to TPAs in Health Insurance.

Research Design

- **Research Instrument:** The research Instrument selected for the study is the structured questionnaire.
- **Sample Size:** The sample size selected for the study is 120.
- **Sampling Technique:** The sampling technique used for the study is Random Sampling Technique.
- **Area of the study:** The study was made in the combined Karimnagar District of Telangana State.

Table 1. Respondent's opinion that Cost is the Determinant while selecting Health Insurance Service Provider

Opinion	Score	Number of Respondents	Weighted Score
Highly Important	5	63 (52.50)	315
Important	4	37 (30.83)	148
Neither Important nor Not Important	3	17 (14.17)	51
Not Important	2	2 (1.67)	4
Highly Not Important	1	1 (0.83)	1
Total		120	519
Weighted Average Score			4.33

Source : Questionnaire

Note : The values in the parentheses represent values in percentages

Interpretation

- The data in the Table-1 reveals that 52.50 per cent of the respondents opined that cost is the most important determinant while selecting health insurance provider followed by 30.83 per cent said that it is important, 14.17 per cent are of neutral opinion, 1.67 per cent feel that it is not important and 0.83 per cent feels that it is not highly important.
- The weighted average score of the fact that cost is the important determinant is calculated to be 4.33 by which it can be concluded that cost can be considered as the most important determinant in selection of health insurance provider.

Table 2. Respondent's opinion that Premium is the Determinant while selecting Health Insurance Service Provider

Opinion	Score	Number of Respondents	Weighted Score
Highly Important	5	53 (44.17)	265
Important	4	37 (30.83)	148
Neither Important nor Not Important	3	23 (19.17)	69
Not Important	2	4 (3.33)	8
Highly Not Important	1	3 (2.50)	3
Total		120 (100.00)	493
Weighted Average Score			4.13

Source : Questionnaire

Note : The values in the parentheses represent values in percentages

Interpretation

- From the data in the Table-2 it can be observed that 44.17 per cent of the respondents opined that premium is the most important determinant while selecting health insurance provider followed by 30.83 per cent said that it is important, 19.17 per cent are of neutral opinion, 3.33 per cent feel that it is not important and 2.50 per cent feels that it is not highly important.
- The weighted average score of the fact that premium is the important determinant is calculated to be 4.13 by which it can be concluded that premium can be considered as the important determinant in selection of health insurance provider.

Table 3. Respondent's opinion that Tax Benefits is the Determinant while selecting Health Insurance Service Provider

Opinion	Score	Number of Respondents	Weighted Score
Highly Important	5	43 (35.83)	215
Important	4	37 (30.83)	148
Neither Important nor Not Important	3	29 (24.17)	87
Not Important	2	8 (6.67)	16
Highly Not Important	1	3 (2.50)	3

Total		120 (100.00)	469
Weighted Average Score			3.91

Source : Questionnaire

Note : The values in the parentheses represent values in percentages

Interpretation

- The data in the Table-3 shows that 35.83 per cent of the respondents opined that tax benefits is the most important determinant while selecting health insurance provider followed by 30.83 per cent said that it is important, 24.17 per cent are of neutral opinion, 6.67 per cent feel that it is not important and 2.50 per cent feels that it is not highly important.
- The weighted average score of the fact that tax benefits is the important determinant is calculated to be 3.91 by which it can be concluded that tax benefits can be considered as the important determinant in selection of health insurance provider.

Table 4. Respondent's opinion that Approval Process is the Determinant while selecting Health Insurance Service Provider

Opinion	Score	Number of Respondents	Weighted Score
Highly Important	5	37 (30.83)	185
Important	4	29 (24.17)	116
Neither Important nor Not Important	3	24 (20.00)	72
Not Important	2	16 (13.33)	32
Highly Not Important	1	14 (11.67)	14
Total		120 (100.00)	419
Weighted Average Score			3.49

Source : Questionnaire

Note : The values in the parentheses represent values in percentages

Interpretation

- From the data in the Table-4 it can be opined that 30.83 per cent of the respondents opined that approval process is the most important determinant while selecting health insurance provider followed by 24.17 per cent said that it is important, 20 per cent are of neutral opinion, 13.33 per cent feel that it is not important and 11.67 per cent feels that it is not highly important.
- The weighted average score of the fact that approval process is the important determinant is calculated to be 3.49 by which it can be concluded that approval process can be considered as the important determinant to some extent in selection of health insurance provider.

Table 5. Respondent's opinion that Claim Settlement is the Determinant while selecting Health Insurance Service Provider

Opinion	Score	Number of Respondents	Weighted Score
Highly Important	5	39 (32.50)	195
Important	4	27 (22.50)	108
Neither Important nor Not Important	3	23 (19.17)	69
Not Important	2	17 (14.17)	34
Highly Not Important	1	14 (11.67)	14
Total		120 (100.00)	420
Weighted Average Score			3.50

Source : Questionnaire

Note : The values in the parentheses represent values in percentages

Interpretation

- The data in table-5 reveals that 32.50 per cent of the respondents opined that claim settlement is the most important determinant while selecting health insurance provider followed by 22.50 per cent said that it is important, 19.17 per cent are of neutral opinion, 14.17 per cent feel that it is not important and 11.67 per cent feels that it is not highly important.
- The weighted average score of the fact that claim settlement is the important determinant is calculated to be 3.50 by which it can be concluded that claim settlement can be considered as the one of the determinant in selection of health insurance provider.

Table 6. Respondent's opinion that Customer Service is the Determinant while selecting Health Insurance Service Provider

Opinion	Score	Number of Respondents	Weighted Score
Highly Important	5	39 (32.50)	195
Important	4	29 (24.17)	116
Neither Important nor Not Important	3	32 (26.67)	96
Not Important	2	14 (11.67)	28
Highly Not Important	1	6 (5.00)	6
Total		120 (100.00)	441
Weighted Average Score			3.68

Source : Questionnaire

Note : The values in the parentheses represent values in percentages

Interpretation

- The data in the Table-6 shows that 32.50 per cent of the respondents opined that customer service is the most important determinant while selecting health insurance provider followed by 26.67 per cent are of neutral opinion, 24.17 per cent said that it is important, 11.67 per cent feel that it is not important and 5.00 per cent feels that it is not highly important.

- The weighted average score of the fact that customer service is the important determinant is calculated to be 3.68 by which it can be concluded that customer service can be considered as the important determinant in selection of health insurance provider.

Table 7. Respondent's opinion that Grievance Handling is the Determinant while selecting Health Insurance Service Provider

Opinion	Score	Number of Respondents	Weighted Score
Highly Important	5	22 (18.33)	110
Important	4	27 (22.50)	108
Neither Important nor Not Important	3	23 (19.17)	69
Not Important	2	25 (20.83)	50
Highly Not Important	1	23 (19.17)	23
Total		120	360
Weighted Average Score			3.00

Source : Questionnaire

Note : The values in the parentheses represent values in percentages

Interpretation

- From the data in table-7 it can be concluded that 22.50 per cent of the respondents opined that grievance handling is the important determinant while selecting health insurance provider followed by 20.83 per cent said that it is not important, 19.17 per cent are of both neutral opinion and not highly important and 18.33 per cent feel that it is important.
- The weighted average score of the fact that grievance handling is the important determinant is calculated to be 3.00 by which it can be concluded that grievance handling can be considered as neither important nor not important determinant in selection of health insurance provider.

Table 8. Respondent's opinion that Critical Illness Coverage is the Determinant while selecting Health Insurance Service Provider

Opinion	Score	Number of Respondents	Weighted Score
Highly Important	5	75 (62.50)	375
Important	4	36 (30.00)	144
Neither Important nor Not Important	3	6 (5.00)	18
Not Important	2	2 (1.67)	4
Highly Not Important	1	1 (0.83)	1
Total		120 (100.00)	542
Weighted Average Score			4.52

Source : Questionnaire

Note : The values in the parentheses represent values in percentages

Interpretation

- The data in table-8 shows that 62.50 per cent of the respondents opined that critical illness coverage is the most important determinant while selecting health insurance provider followed by 30.00 per cent said that it is important, 5.00 per cent are of neutral opinion, 1.67 per cent feel that it is not important and 0.83 per cent feels that it is not highly important.
- The weighted average score of the fact that critical illness coverage is the important determinant is calculated to be 4.52 by which it can be concluded that critical illness coverage can be considered as the most important determinant in selection of health insurance provider.

Table 9. Respondent's opinion that Reimbursement is the Determinant while selecting Health Insurance Service Provider

Opinion	Score	Number of Respondents	Weighted Score
Highly Important	5	17 (14.17)	85
Important	4	21 (17.50)	84
Neither Important nor Not Important	3	23 (19.17)	69
Not Important	2	27 (22.50)	54
Highly Not Important	1	32 (26.67)	32
Total		120 (100.00)	324
Weighted Average Score			2.70

Source : Questionnaire

Note : The values in the parentheses represent values in percentages

Interpretation

- From the data in Table-9 it can be stated that 26.67 per cent of the respondents opined that reimbursement is the highly not important determinant while selecting health insurance provider followed by 22.50 per cent said that it is not important, 19.17 per cent are of neutral opinion, 17.50 per cent feel that it is important and 14.17 per cent feels that it is highly important.
- The weighted average score of the fact that reimbursement is the important determinant is calculated to be 2.70 by which it can be concluded that reimbursement is not an important determinant in selection of health insurance provider.

Table 10. Respondent's opinion that Cashless Treatment is the Determinant while selecting Health Insurance Service Provider

Opinion	Score	Number of Respondents	Weighted Score
Highly Important	5	18 (13.33)	90
Important	4	21 (15.83)	84
Neither Important nor Not Important	3	26 (20.83)	78
Not Important	2	27 (24.17)	54

Highly Not Important	1	28 (25.83)	28
Total		120 (100.00)	334
Weighted Average Score			2.78

Source : Questionnaire

Note : The values in the parentheses represent values in percentages

Interpretation

- From the data in Table-10 it can be said that 25.83 per cent of the respondents opined that cashless treatment is the most not important determinant while selecting health insurance provider followed by 24.17 per cent said that it is not important, 20.83 per cent are of neutral opinion, 15.83 per cent feel that it is important and 13.33 per cent feels that it is highly important.
- The weighted average score of the fact that cashless treatment is the important determinant is calculated to be 2.78 by which it can be concluded that cashless treatment is not an important determinant in selection of health insurance provider.

Table 11.Overall Analysis

Determinant	Weighted Average Score	Rank
Cost	4.33	II
Premium	4.13	III
Tax Benefits	3.91	IV
Approval Process	3.49	VII
Claim Settlement	3.50	VI
Customer Service	3.68	V
Grievance Handling	3.00	VIII
Critical Illness Coverage	4.52	I
Cashless Service	2.78	IX
Reimbursement	2.67	X

Source: Questionnaire

Interpretation

The data in Table-11 shows the overall analysis of the ten determinants to be considered while selecting health insurance providers. It is found that critical illness coverage is the most important determinant followed by cost, premium, tax benefits, customer service, claim settlement, approval process, grievance handling, cashless service and reimbursement.

Conclusion

The companies need to formulate the health insurance policies based on the need and requirement of the policyholders. They should also consider the various determinants which influences the policyholder's decision to select the health insurance service provider. In the

context of stiff competition the customer is treated as a king, hence his opinion must be given top priority while designing the policies. If the determinants are taken care of properly, the companies will reach their targets and will achieve profits. It is hereby suggested that to include all the diseases under health insurance policies, to create more awareness regarding health insurance and to increase the number of hospitals under coverage. Companies should provide an easy claim settlement system and low documentation.

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