



A STUDY OF AWARENESS ABOUT THE EXISTENCE OF HEALTH INSURANCE POLICY WITH REFERENCE TO WESTERN MAHARASHTRA

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ABSTRACT:

Intension of buying policy always depends upon the buyers understanding of the product. The way it is explained to him and the different health benefits he may avail under the particular health plan. Mostly health plan is opted to save the money that an individual or a family has to pay in any unexpected hospitalization for more than 24 hours. Some insurance companies also accept few existing illnesses with or without additional premium so even existing illnesses can be also treated in a fixed annualized premium. Facility like family floater provides the coverage for a family where husband, wife, kids and parents of the insured can also be covered.

Keywords: Health Insurance, cash less facility, third party administration.

INTRODUCTION:

The term 'Health Insurance' relates to a type of insurance that essentially covers your medical expenses. A health insurance policy like other policies is a contract between an insurer and an individual / group in which the insurer agrees to provide specified health insurance cover at a particular 'premium' subject to terms and conditions specified in the policy.

A Health Insurance Policy would normally cover expenses reasonably and necessarily incurred under the following heads in respect of each insured person subject to overall ceiling of sum insured (for all claims during one policy period).
a) Room, Boarding expenses b) Nursing expenses c) Fees of surgeon, anesthetist, physician, consultants, specialists d) Anesthesia, blood, oxygen, operation theatre charges, surgical appliances, medicines, drugs, diagnostic materials, X-ray, Dialysis, chemotherapy, Radio therapy, cost of pace maker, Artificial limbs,

cost or organs and similar expenses. Researcher wants to identify the actual number of health / Mediclaim policy holders from the data collection from five districts of western Maharashtra. This gives a wide coverage to entire family with a small amount of premium compare to the total cost of amount that may have to spend against hospitalization in a particular contract year.

NEED AND IMPORTANCE OF THE STUDY:

This study is useful for insurance organizations to understand the mindset of customer, buying behaviour, and their expectations about different products and insurance companies. Because of this study insurers found that what is the penetration of insurance business and further scope for the development of new business. The need of the study is for common man's prospective also. This study helps common people to understand the different kinds of health related products available in the market and which product is more suitable as per their need.

SCOPE OF THE STUDY:

1 TOPICAL SCOPE:

The topical scope of the study is related to health policies linked in insurance sector.

2 GEOGRAPHICAL SCOPE:

The geographical scope is related to five district of Western Maharashtra such as Kolhapur, Sangli, Satara, Solapur and Pune.

3 ANALYTICAL SCOPE:

For the analysis of primary data, test of proportion was used.

OBJECTIVES:

1. To study the existence about the health / mediclaim policy in western Maharashtra.
2. To study the extent of coverage and the potential for insurance products in Western Maharashtra.
3. To offer policy suggestions for better implementation of the Pension Schemes.

HYPOTHESIS OF THE STUDY:

H0: The awareness about the existence of health or mediclaim insurance policy is homogeneous across the districts of western Maharashtra.

H1: The awareness about the existence of health or mediclaim insurance policy is non-homogeneous across the districts of western Maharashtra

RESEARCH METHODOLOGY:**1 UNIVERSE OF THE STUDY AND SAMPLE DESIGN:**

Kolhapur, Sangali, Satara, Solapur and Pune are five districts of Western Maharashtra and the entire 'insured population' of all these districts constitute universe for the present study. As per Insurance Regulatory and Development Authority (IRDA) as on 31 December 2014 average 20 percent of total India's population is insured by insurers. So, on that basis out of total population of Western Maharashtra 20 percent insured population considered and chosen as a universe of current study. District wise actual population and selected universe is presented in following table.

Table 1: District Wise Population, Insured Population and Number of Samples

Sr. No.	District Place	Actual Population*	insured population #	No. of Samples
1	Kolhapur	3874015	774803	100
2	Pune	9426959	1885392	241
3	Sangali	2820575	564115	72
4	Satara	3003922	600784	77
5	Solapur	4315527	863105	110
Total:		23440998	4688200	600

Source: *Actual population taken from census 2011

Source: # National Insured population rate 20 percent taken from IRDA's website www.irda.gov.in

Considering the table 1 total population of Western Maharashtra is 2,34,40,998 and out of that 46,88,200 were chosen as universe for recent study. A sample of 600 respondents had chosen based on time and money concern and proportionately distributed among five districts of Western Maharashtra.

DATA COLLECTION:**1. PRIMARY DATA:**

Survey method has been used to collect primary data of 600 respondents from five districts of Western Maharashtra. An insured individual has considered as respondent. Stratified random sampling method has been used for obtaining data and questionnaire has designed with close ended, objective type, multiple choices (Lickert scale), and 61 major questions. The questioner was divided in to three parts. First part of the questionnaire contained general information about respondent and overall awareness regarding insurance industry and insurance policy had taken. Second part of the questioner was developed to the health / mediclaim policy holders and third part for non health / mediclaim policy holders. Respondents had filled first part compulsory and out of

remaining two, any one part depends upon whether having particular health policy or not. So in this way any respondent had filled only two parts of questioner out of three.

2. SECONDARY DATA:

In order to obtain the idea about the different pension's schemes of the insurance companies, secondary data was collected. The brochures of pension policy had been collected to study the policy features, advantage, benefits, terms and conditions from different insurance companies' available in Western Maharashtra.

DATA ANALYSIS AND INTERPRETATION:

Table 2: District Wise Respondents of Health Policy

Sr. No.	District Location	Health Policy		Health Policy		Total
		Yes	percent	No	percent	
1	Kolhapur	19	9.36	81	20.40	100
2	Sangli	17	8.37	55	13.85	72
3	Satara	20	9.85	57	14.36	77
4	Solapur	34	16.75	76	19.14	110
5	Pune	113	55.67	128	32.24	241
Total:		203	100	397	100	600

Source: Field Survey 2013 – 2015

Diagram 1: District Wise Respondents of Health Policy

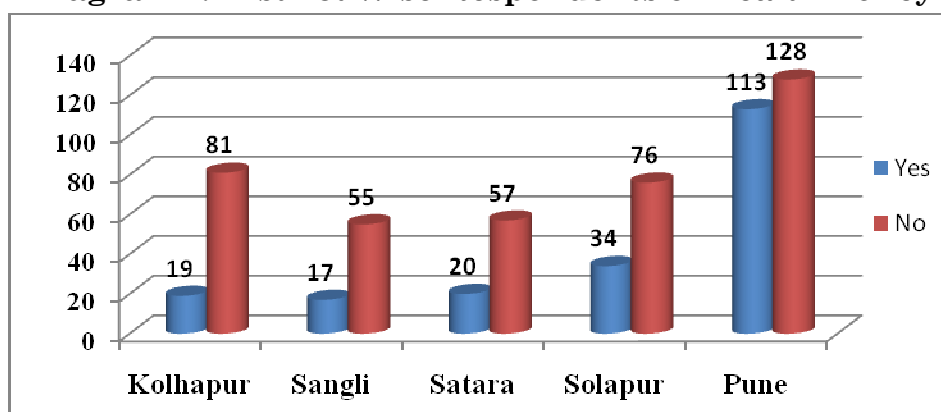


Table 2 shows that out of 600 samples were collected for current study from five districts of Western Maharashtra 203 respondents having health insurance policy and 397 respondents were not having health insurance policy. The analysis shows that out of 600 sample 33.80 percent respondents belong to the health insurance policy holders and 66.20 percent respondents have non

pension policy holders. It is clearly shows that majority respondents were having non health policy holders.

Table 2 shows district wise analysis of the health insurance policy holder. Out of 600 samples 203 sample having health insurance policy and district wise separation as Kolhapur, Sangli, Satara, Solapur and Pune districts have 19, 17, 20, 34 and 113 respondents respectively. Out of 397 sample of non health insurance policy holders and district wise separation as Kolhapur, Sangli, Satara, Solapur and Pune districts have 81, 55, 57, 76 and 128 respondents respectively.

The analysis shows that out of 203 health insurance policy holders majority respondents were contributed from Pune district and very few respondents contributed from Sangli district. Out of 397 non health insurance policy holder major contribution were belongs to Pune district and very few respondent contributed from Satara district.

HYPOTHESIS TESTING:

H0: The awareness about the existence of health or mediclaim policy is homogeneous across the districts of western Maharashtra

H1: The awareness about the existence of health or mediclaim insurance policy is non-homogeneous across the districts of western Maharashtra

Table 3: District Wise Respondents of Health Policy

District	Awareness about Health Policy				Total
	Not Aware	Partially Aware	Average	Aware Somewhat	
Kolhapur	24	38	9	10	81
Sangli	16	26	5	8	55
Satara	16	28	5	8	57
Solapur	23	6	16	31	76
Pune	43	55	12	18	128
Total	122	153	47	75	397

Table 4: Chi – Square Tests

CHI-SQUARE TESTS			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	54.864(a)	12	.000
Likelihood Ratio	58.338	12	.000
Linear-by-Linear Association	.745	1	.388
N of Valid Cases	397		
a 0 cells (.0%) have expected count less than 5. The minimum expected count is 6.51.			

Here the chi square observed value, 54.864, is greater than the critical value at 5 percent level of significance and 12 degrees of freedom, 23.3367. Therefore, **the null hypothesis is rejected and the alternative is accepted.** Thus, it is inferred that the awareness about the existence of health or mediclaim policy insurance is non-homogeneous across the districts of western Maharashtra.

FINDINGS:

1. Awareness about health policies found very low in the society.
2. It is found that the main intension of buying health insurance policy is 'Hospital Bill'.
3. It is also observed that majority of respondents were chosen family floater policy.

CONCLUSION:

Mechanism of insurance cannot be used to make profit. Principle of indemnity is applicable for health insurance. Health insurance provides for reimbursement of hospitalisation expenses, surgery, pre and post hospital treatment, etc. Health policy should buy for precautionary approach against unexpected hospital expenses occurred which disturbed families economically condition.

SUGGESTIONS:

1. Insurers should create 'Insurance Awareness Club'. In club meetings experts should provide in detail information about insurance to their club member free of cost. These clubs should be beneficial for both insurer and common man also. These clubs generate data for insurer of prospective customers which will increase sales. Effective use of other advertisement instruments should help to provide information about insurance to customers.
2. Family floater policy covered all family members under one plan. People should concentrate on individual and group insurance policy also. In Individual insurance policy doesn't have any limitations on sum assured and group insurance policy is cheaper than others. People should concentrate on 'individual' and 'group health insurance policy' because it should be a great alternate source which covers all hospitalization expenses without any obstacles.

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