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A STUDY ON CONSUMER PERCEPTION ON HEALTH INSURANCE PRODUCTS WITH REFERENCE TO BANGALORE CITY

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Abstract

The Insurance Industry contributes approximately seven percent to our country's GDP. The rise in market competition, driven by liberalization, has compelled insurers to enhance customer service. In response to the increasing demand for quality healthcare and in alignment with global standards, the IRDAI introduced the concept of health insurance. To effectively promote Health Insurance among customers, Insurance Companies had to adopt innovative and emerging distribution trends. The first objective of this study is to know the awareness of health insurance policy. Secondly, it aims to explore the different Health Insurance products. Health insurance has significantly transformed the industry, the medical community, and is making peace of mind accessible for the general public. The study concludes that while people are knowledgeable about health insurance, they remain hesitant to invest in these services.

Key Words: GDP, IRDAI and medical community.

1.INTRODUCTION

Health insurance has become a crucial aspect of the insurance industry, generating significant revenue. The increasing demand for modern medical care, driven by evolving lifestyles, a growing population, higher literacy rates, the quest for quality healthcare, and advancements in technology are all advantageous for the health insurance sector. Health insurance provides coverage for illnesses or injuries that require hospitalization due to lifestyle-related conditions, accidents, and more. It includes essential health benefits vital for maintaining well-being and addressing health issues and accidents. This type of insurance safeguards against unexpected high medical expenses, ensuring access to network healthcare, thus offering peace of mind and security. It promotes preventive care, such as vaccinations, screenings, and regular medical check-ups, encouraging health monitoring and ultimately supporting a healthier lifestyle. Health insurance is an essential element of today's healthcare framework, offering financial safeguards and access to medical services for individuals and families. It functions on the principle of distributing the risk of healthcare costs across a large group, enabling shared expense coverage for medical care. Key elements associated with health insurance encompass a health insurance policy, premium, deductible, co-payment, a network of healthcare providers, and coverage levels. In-network providers typically result in lower out-of-pocket expenses, while seeking care from out-of-network providers may lead to higher costs. Coverage for different medical services is contingent upon the specific policy in question. Some plans may exclude coverage for pre-existing conditions; however, regulations like the Affordable Care Act have enhanced coverage options. The open enrolment period is the designated timeframe for individuals and families to sign up for or modify their health insurance plans. Medicare and Medicaid are government-funded health insurance programs in the United States, catering to individuals aged 65 and older as well as certain younger individuals with disabilities. Health insurance can be categorized as private or public, with private insurance being offered by commercial insurers, and the distribution between private and public options varying by country. It is crucial to comprehend the terms of your insurance policy to make well-informed choices regarding your healthcare needs and associated costs.

2.REVIEW OF LITRATURE

Jacob, A. (2018). This research on customer perceptions regarding health insurance in Ranny Thaluk aimed to evaluate the level of awareness and sources of information related to health insurance, identify the factors affecting customers' choices in selecting health insurance plans and specific insurance companies, and determine customer satisfaction levels. The study is both descriptive and analytical in nature. Data were collected from both primary and secondary sources for this analysis. Primary data were gathered using a custom interview schedule developed for this purpose. Key secondary sources included books, journals, and websites, among others. A total of 50 customers were chosen using the convenient sampling technique. The objectives were to evaluate the awareness levels and identify sources of awareness about health insurance and to pinpoint the factors influencing customers' selections of insurance plans.

Oladimeji, O., Alabi, A., & Adeniyi, O. V. (2017). This research evaluated the awareness, knowledge, and perceptions of healthcare professionals at mahatma General Hospital regarding the National Health Insurance Scheme (NHIS). A descriptive cross-sectional study was carried out among healthcare staff at Mahatma General Hospital. A simple random sample of 100 participants from various healthcare professions responded to a validated questionnaire that assessed their knowledge, purpose, and the challenges associated with implementing NHIS. A solid understanding of NHIS objectives could foster a positive perception and ensure support from healthcare professionals.

Olayemi, O. M. (2017). The Literature Review on Awareness and Perception of the National Health Insurance Scheme (NHIS) among Librarians in Nigeria discusses how the Federal Government of Nigeria established the National Health Insurance Scheme (NHIS) to improve healthcare access for its citizens. This research investigates librarians' awareness and perceptions of the NHIS in Nigeria, seeking to evaluate their understanding and attitudes towards the scheme. The main goal of this research is to assess librarians' awareness levels and perceptions of the NHIS in Nigeria.

3. STATEMENT OF THE PROBLEM

Shifts in lifestyle, poor dietary choices, limited physical activity, extended and irregular working hours, and a lack of sleep have contributed to a rise in modern lifestyle-related diseases, increasing the demand for quality healthcare. With healthcare costs rising sharply, the necessity for health insurance is becoming more recognized among educated individuals. Insufficient awareness and planning have resulted in a lower uptake of health insurance products among the population. It is essential to identify the obstacles preventing people from obtaining health insurance.

4. OBJECTIVES OF THE STUDY

1. To know the perception of consumers towards health insurance.
2. To explore the different Health Insurance products offered by Insurance Companies.

5. RESEARCH METHODOLOGY

The present study is analytical in nature. The study was conducted at Tumkuru district in Karnataka state. Primary data was collected by administering a pre-tested questionnaire. To undertake this study a sample of 110 respondents had been selected by applying convenient sampling technique. Statistical tools namely Chart & percentage analysis have been used to analyze the primary data. Secondary data for the study has been collected from various publications in journals, magazines, websites and books.

6. DATA ANALYSIS

Table 1; Demographic details of the respondents

	Category	*Frequency (n)*	*Percentage (%)*
Gender	Male	60	55%
	Female	50	45%
Occupation	Teachers & Lecturers	28	25.5%
	Administrative staff	17	15.5%
	UGC Faculties	38	34.54%
	Self Employed	10	9.1%
	Others	17	15.5%
Age	Less than 25	1	0.9%
	25-30	8	7.3%
	30-35	45	40.9%
	35-40	36	32.7%

	40-45	16	14.5%
	More than 45	4	3.6%
Qualification	SSLC & PUC	17	15.5%
	Graduation (UG)	31	28.2%
	Post-graduation	57	51.81%
	Professional(CA,CS etc)	5	4.5%
Annual Income	Less than 500000	13	11.8%
	500000-750000	41	37.3%
	750000-1000000	50	45.5%
	More than 1000000	6	5.4%

As per Table-1, out of 110 respondents, 55% were male and 45% were female. The table shows that 80% of respondents are belonging to Teaching Fraternity, The respondents were belonging to the age group 30-35 were highest among other groups, 51.8% Respondents were PG Degree Holders and 45.5% of the respondents were having annual income between 7.5 lakh to 10 Lakh.

TABLE 2: Customer Awareness about Health Insurance

Particulars	Variable	Percentage
Awareness about Insurance Company	HDFC ERGO	59.09%
	Religare	40.9%
	Oriental Insurance	64%
	Star Health	51%
	Apollo Munich	48%
	Universal Sompo	41%
	Tata AIG	38%
	IIFCO – TOKIO	36%
	National Insurance	59%
	The New India Assurance Co. Ltd	69%
Awareness about Types of Health Insurance products offered by Companies	Individual Health Insurance	38%
	Group Health Insurance	15.2%
	Family Floater Health Insurance	26.34%
	Senior citizen health insurance	11.46%
	Critical illness health insurance	9%
Preference for Annual Premium	Less than 10000	38%

Amount	10000 - 15000	26%
	15000-20000	21.5%
	Above 20000	14.5%
Source of Awareness	Advertisement	29%
	Friends/relatives/colleagues	18%
	Insurance agent	10%
	Internet Sources	43%
Preference for Premium Payment Frequency	Monthly	53%
	Quarterly	9%
	Half Yearly	7%
	Annually	31%
Insurance claim settlement procedure is simple, transparent and timely i.e., hassle free for Customers	Very Satisfied	38%
	Satisfied	46%
	Neutral	14%
	Dissatisfied	2%
Easily can you access the network hospitals included in your coverage	Extremely Easy	19%
	Somewhat Easy	62%
	Neutral	16%
	Somewhat Difficult	3%
Do you think health insurance is important for individuals and families	Very important	49%
	Somewhat important	51%

Table 2 shows that majority of the respondents take Health Insurance from Public General Health Insurance companies like National Insurance Company etc,. Majority (38 percent) of the respondents choose Individual Health Insurance policy, 38 percent of the respondents pay less than Rs.10000 p.a. as premium and 53 percent of the respondents pay their premium on monthly basis. 43 percent of the respondents know about Health Insurance through Internet Sources. 46% of the respondents were feel Insurance claim settlement procedure is simple, transparent and timely. 62% of the respondents says Easily can customers access the network hospitals included in your coverage. All the respondents were thinking health is insurance is Important.

7. SUGGESTIONS

Assess your medical background, family health concerns, and lifestyle choices to identify the coverage you need. Think about aspects such as prescription drugs, doctor appointments, and possible emergencies. Familiarize yourself with the various types of health insurance plans available. Each plan comes with its own coverage levels and flexibility, so select one that meets your specific requirements. Verify whether your preferred healthcare providers, hospitals, and specialists are included in the insurance network. Receiving care from out-of-network providers can be pricier, so ensure you can access the medical professionals you trust. Encourage transparent communication, teamwork across functions, and a range of viewpoints to address challenges in business culture and create inclusive environments.

8. CONCLUSION

Understanding and recognizing the importance of health insurance is a vital process that demands thorough consideration. It's important to assess your personal health requirements, which include your medical background, current health conditions, family medical history, and lifestyle choices. Select a plan that meets your health needs and preferences for doctor appointments, specialists, and hospital services. Finding the right balance among monthly premiums, deductibles, co-payments, and co-insurance is essential while factoring in your budget and possible out-of-pocket expenses for medical care. Make sure that the insurance plan's network includes healthcare providers and facilities you prefer, allowing you to receive treatment from trusted professionals without incurring high costs. Review the plan's coverage for emergencies, travel, prescriptions, preventive care, and its financial stability and reputation; these aspects are crucial for making a knowledgeable choice with a long-term viewpoint. Investigate the insurer's financial health and reputation to confirm they will meet their obligations, and read reviews from policyholders for insights into the quality of service to help you make an informed choice. Regularly evaluate your coverage as your health requirements change. By making a well-informed decision, you can secure both your health and financial stability for the future.

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