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ATTITUDE TOWARDS HEALTH INSURANCE: A COMPARATIVE STUDY OF INSURERS AND NON-INSURERS IN MYSORE CITY AREA



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Abs tract:-In the present study an attempt is made to compare the attitude of insurers and non-insurers towards health insurance. A total of 401 respondents (200 insured and 201 non-insured) were selected for the study through random sampling technique. They were administered a structures questionnaire on attitude towards health insurance by the authors. The data collection was done in and around the city of Mysore. Data were subjected to contingency coefficient analysis to find out the association between respondent groups and their responses. Results revealed that on the whole we find that insurers had favorable attitude towards health insurance than non-insurers. In individual areas like availability, time spent, expenditure and treatment issues also those with health insurance were more favorable compared to non-insurers. Lastly, importance of health insurance in Indian context has been delineated.

Keyw ords:Health; Insurance; Mysore; Attitude.

INTRODUCTION

Having health insurance is important because coverage helps people get timely medical care and improves their lives and health. Some may believe that people always have access to medical care because they can always go to an emergency room. But even areas with well supported safety net care do not remove barriers to access to the same extent as does having health insurance. "Coverage matters," concluded the Institute of Medicine (IOM) during a recent multiyear appraisal (IOM, 2001). Indeed, the prestigious IOM estimated that lack of coverage was associated with about 18,000 extra deaths per year among uninsured adults. Several points deserve emphasis.

The development of health insurance in India is a reflection of broader policy changes that are being felt in the Indian economy. Many economic functions that had been restricted to the public sector since independence are now being opened to private sector involvement, including the conversion of previously governmental organizations to private or semi-private entities that theoretically must survive without direct government support. The financial sector is no exception. As a part of its financial sector reform agenda, the Indian Government liberalized the Indian insurance industry by the enactment of the Insurance Regulatory and Development Authority (IRDA) Act by the Indian Parliament in 1999. This led to the opening up of the sector for participation of private insurance companies. Prior to liberalization, the insurance sector consisted of the government-owned Life Insurance Corporation of India that had a monopoly on life insurance business and the General Insurance Corporation of India and its four non-life subsidiaries namely, National Insurance Co., New India Assurance Co., Oriental Insurance Co. and United India

Insurance Co. The new act did not provide for independent health insurance companies and the new market has continued the established practice of selling health insurance products through the existing public and new private insurance companies. The results of liberalization have been significant. Since 1999, IRDA has licensed 24 new private insurance companies, of which 21 have foreign equity participation. Major global players like Aegon, Fortis, Future Generally, Principal and Dai-ichi have tied-up with Indian partners to set up life insurance operations.

Some of the studies on insurance and impact of health insurance can be summarized as follows. Joglekar (2008) examined the impact of health insurance on catastrophic out-of-pocket (OOP) health expenditure in India and taken zero percent as threshold level to define and examine such impact. It showed that in India, OOP health expenditure by households account for around 70% of total expenditure on health and thereby pushes households in to poverty. According to Bawa (2006) just 19.4% are being covered by some form of health insurance and large chunk of the population is still financing health care expenditure without health insurance. Moreover it was observed that there are 7 key factors by clubbing the related variables under it which are acting as barrier in the subscription of health insurance. These are Lack of Funds to Meet Costly Affair; Lack of Awareness and Willingness to join; Lack of Intermediaries' Outreach and Capabilities; Lack of Reliability and Comprehensive Coverage; Lack of Availability and Accessibility of Services; Narrow Policy Options; and Prefer Other Mode to Invest (followed by friends, relatives etc). Ahuja and Narang (2005) suggested that in order to develop health insurance for poor in a big way,

health care provisions need to be strengthened and streamlined as well as coordination among multiple agencies is needed.

Ahuja and De (2004) confirmed that the demand for health insurance is limited where supplies of health services is weak and explained interstate variation in demand for health insurance by poor in relation to variation in healthcare infrastructure.

Review of some of the Indian studies clearly revealed that there are studies on investment, benefits and other issues, no specific study has been made to compare attitude and perception of insurers and non-insurers towards health insurance. In the present study an attempt is made to assess the attitude of insurers and non-insurers towards health insurance and its benefits. It is hypothesized that health insurers will have favorable attitude towards health insurance.

METHOD

Sample

A total of 401 respondents were randomly selected in and around Mysore city. Of the 401 respondents, 200 were health insurers and remaining 201 were non-insurers. They were selected to the study through stratified random sampling technique.

Tools employed: Tool employed

A questionnaire to assess stress among prisoners developed by the researcher along Prof. K.V. Aiahanna was employed for the study. This questionnaire contained 16 statements. These statements were based on issues like availability of medical facilities during normal and emergency situations, administrative procedures, quality of services, treatment aspects etc. The specific domains selected for the analysis were availability, time spending, expenditure, and treatment aspects. The respondent has to give one of the options 'All the time', 'Most of the times', 'some time', 'once in a while and 'Never'. The scoring was done like 5 for 'All the time', 4 for 'Most of the times', 3 for 'some time, 2 for 'once in a while and 1 for 'Never'. High scores indicated more favorability towards health insurance and low scores indicated unfavourability towards health insurance. The data collection was done in one setting and it took 12 months for the researcher to collect data on 401 sample respondents. Initially the questionnaire was validated by both face and content validities. The Reliability of the questionnaire was found to be .7226, though SPSS and the technique employed was Cronbach Alpha.

Procedure

The data has been collected by the first author from 401 respondents from in around Mysore city. The researcher initially obtained the permission from hospitals and insurance agencies both public and private sectors to obtain necessary primary and secondary data. After making necessary arrangements, the researcher visited all individually all the respondents-insurers and non-insurers. After establishing rapport, the researcher personally handed over questionnaire to the insurers and non-insurers and requested them to answer the questionnaire as honestly as

possible.

Once the questionnaire were received, they were scored and entered into computer and appropriate statistical techniques were applied based on the objectives formulated. Contingency coefficient analysis was employed to find out the association between respondent groups and their responses.

RESULTS

Table 1 present frequency and percent responses for various attitudinal statements on health insurance by insurers and non-insurers and results of contingency coefficient tests.

Table 1: Frequency and percent responses for various attitudinal statements on health insurance by insurers and non-insurers and results of contingency coefficient tests

Statement	Groups	Responses					CC&P	
		AT	MT	ST	OW	N		
Availability								
A1. I am able to get medical are whenever I need it.	Insured	F	94	89	17	0	0	CC=.677; P=.000
		%	47.0%	44.5%	8.5%	.0%	.0%	
	Not.insured	F	0	0	146	37	18	
		%	.0%	.0%	72.6%	18.4%	9.0%	
A2. The health insurance makes it possible to perform the emergency services I need.	Insured	F	77	85	38	0	0	CC=.707 P=.000
		%	38.5%	42.5%	19.0%	.0%	.0%	
	Not.insured	F	0	0	0	95	106	
		%	.0%	.0%	.0%	47.3%	52.7%	
A3. It is easy for obtaining an appointment on convenient day and hour	Insured	F	37	102	53	6	2	CC=.509 P=.000
		%	18.5%	51.0%	26.5%	3.0%	1.0%	
	Not.insured	F	0	25	159	14	3	
		%	.0%	12.4%	79.1%	7.0%	1.5%	
A4. All of the necessary medicines are available with health insurance.	Insured	F	32	116	40	9	3	CC=.600 P=.000
		%	16.0%	58.0%	20.0%	4.5%	1.5%	
	Not.insured	F	1	2	140	40	18	
		%	.5%	1.0%	69.7%	19.9%	9.0%	
Time spending								
T1: Administrative procedure followed is easy and short time	Insured	F	44	81	70	4	1	CC=.205 P=.001
		%	22.0%	40.5%	35.0%	2.0%	.5%	
	Not.insured	F	41	47	103	6	4	
		%	20.4%	23.4%	51.2%	3.0%	2.0%	
T2: Time spent at reception counter is reasonable	Insured	F	37	85	71	6	1	CC=.498 P=.000
		%	18.5%	42.5%	35.5%	3.0%	.5%	
	Not.insured	F	36	0	108	53	4	
		%	17.9%	.0%	53.7%	26.4%	2.0%	
T3: Doctor gives enough time to narrate my illness.	Insured	F	22	103	66	5	4	CC=.580 P=.000
		%	11.0%	51.5%	33.0%	2.5%	2.0%	
	Not.insured	F	0	0	148	0	53	
		%	.0%	.0%	73.6%	.0%	26.4%	

Table 1 (continued)

Statement	Groups	D1					CC&P	
		AT	MT	ST	OW	N		
Expenditure								
E1: Emergency services with health insurance will be free	Insured	F	40	76	78	5	1	CC=.705 P=.000
		%	20.0%	38.0%	39.0%	2.5%	.5%	
	Not.insured	F	0	0	0	0	201	
		%	.0%	.0%	.0%	.0%	100.0%	
E2: The health insurance reduces cost and expenses.	Insured	F	31	97	64	7	1	CC=.505 P=.000
		%	15.5%	48.5%	32.0%	3.5%	.5%	
	Not.insured	F	4	16	120	40	21	
		%	2.0%	8.0%	59.7%	19.9%	10.4%	
E3: I was satisfied about the charge paid to doctor.	Insured	F	20	105	64	10	1	CC=.471 P=.000
		%	10.0%	52.5%	32.0%	5.0%	.5%	
	Not.insured	F	4	21	150	10	16	
		%	2.0%	10.4%	74.6%	5.0%	8.0%	
E4: The amount I spend for medical needs were reasonable.	Insured	F	21	87	69	20	3	CC=.530 P=.000
		%	10.5%	43.5%	34.5%	10.0%	1.5%	
	Not.insured	F	0	14	139	0	48	
		%	.0%	7.0%	69.2%	.0%	23.9%	
Treatment issues								
Tr1: My doctors treat me in a very friendly and courteous manner.	Insured	F	49	93	51	6	1	CC=.597 P=.000
		%	24.5%	46.5%	25.5%	3.0%	.5%	
	Not.insured	F	3	14	66	0	118	
		%	1.5%	7.0%	32.8%	.0%	58.7%	
Tr2: Doctors act too business like and impersonal toward me.	Insured	F	18	101	74	5	2	CC=.407 P=.000
		%	9.0%	50.5%	37.0%	2.5%	1.0%	
	Not.insured	F	4	32	143	4	18	
		%	2.0%	15.9%	71.1%	2.0%	9.0%	
Tr3: When I go for medical care they are careful to check everything when treating and examining me	Insured	F	29	103	61	6	1	CC=.474 P=.000
		%	14.5%	51.5%	30.5%	3.0%	.5%	
	Not.insured	F	22	14	119	43	3	
		%	10.9%	7.0%	59.2%	21.4%	1.5%	
Tr4: Checkup carried out by doctor was satisfactory.	Insured	F	20	94	80	6	0	CC=.606 P=.000
		%	10.0%	47.0%	40.0%	3.0%	.0%	
	Not.insured	F	0	0	67	62	72	
		%	.0%	.0%	33.3%	30.8%	35.8%	
Tr5: Overall services rendered by the hospital are reasonable	Insured	F	32	99	66	2	1	CC=.541 P=.000
		%	16.0%	49.5%	33.0%	1.0%	.5%	
	Not.insured	F	1	15	116	11	58	
		%	.5%	7.5%	57.7%	5.5%	28.9%	

a. Availability

As far as the availability is considered, for all the statements, contingency coefficient analysis revealed significant associations between respondent groups and respondents. The contingency coefficient values obtained for statements A1, A2, A3 and A4 were .677, .707, .509 and .600 respectively, which were all significant at .000 level. From the table it is evident that most of the respondents under the insurance category were more favorable towards the availability component of health insurance compared to non-insurers.

b. Time spending

For all the statements on time spending, significant associations were observed for response given by insurers and non-insurers. The contingency coefficient values obtained for T1, T2 and T3 statements were .205, .498 and .580 respectively, which were either significant at .001 or .000 level. Again we find that most of the respondents under the insurance category were more favorable towards the time spending component of health insurance compared to non-insurers.

c. Expenditure

As far as the expenditure is considered, for all the statements, contingency coefficient analysis revealed significant associations between respondent groups and respondents. The contingency coefficient values obtained for statements E1, E2, E3 and E4 were .705, .505, .471 and .530 respectively, which were all significant at .000 level.

From the table it is evident that most of the respondents under the insurance category were more favorable towards the expenditure component of health insurance compared to non-insurers.

d. Treatment issues

For all the statements on treatment issues, significant associations were observed for response given by insurers and non-insurers. The contingency coefficient values obtained for Tr1, Tr2, Tr3, Tr4 and Tr5 statements were .597, .407, .474, .606 and .541 respectively, which were significant at .000 level. Again we find that most of the respondents under the insurance category were more favorable towards the treatment issues component of health insurance compared to non-insurers.

DISCUSSION

Main findings of the study are

On the whole we find that insurers had favorable attitude towards health insurance than non-insurers. In individual areas like availability, time spent, expenditure and treatment issues also those with health insurance were more favorable compared to non-insurers.

The hypothesis which was formulated as insurers will have favorable attitude towards health insurance had been accepted as all the test statistics revealed that insurers had favorable attitude than non-insurers. Some of the studies on health issues revealed the following. Prasanta Mahapatra, et al. (2001) have identified in their work that, Corruption by all categories of staff was the greatest cause for dissatisfaction, followed by general cleanliness, poor utilities etc. Also significantly high level of dissatisfaction was noted regarding patient's assessment of technical quality of doctor's work and less time spent by the doctor with the patients, which are the main causes for people to go for private healthcare organizations, where majority of patients who come for treatment to public hospital are poor and illiterate. Ambuj Bharadwaj, et al. (2001) estimate that the private sector Hospitals have come up to provide the health care in a large way and this sector shares a major part of GDP 4.7% compared to 1.2% of public sector. 78.4% of total expenditure on health is shared by private sector, while 20% is accounted for by public sector. Purohit and Siddiqui (1994) examined the utilization of health services in India by making the comparison of Indian states in terms of low, medium and high household expenditure on health care and concluded that there is no serious government initiative to encourage utilization of health services by means of devising health insurance.

In light of the fiscal crisis facing the government at both central and state levels, in the form of shrinking public health budgets, escalating health care costs coupled with demand for health-care services, and lack of easy access of people from the low-income group to quality health care, health insurance is emerging as an alternative mechanism for financing of health care. Health insurance in a narrow sense would be 'an individual or group purchasing health care coverage in advance by paying a fee called premium.' In its broader sense, it would be any arrangement that helps to

defer, delay, reduce or altogether avoid payment for health care incurred by individuals and households. Given the appropriateness of this definition in the Indian context, this is the definition, we would adopt. The health insurance market in India is very limited covering about 10% of the total population and has to be spread for more population including tribal and rural population.

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