A STUDY ON POLICY HOLDERS AWARENESS AND PREFERENCE TOWARDS HEALTH INSURANCE

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Abstract:
　　Health insurance is insurance against the risk of incurring medical expenses among individuals. By estimating the overall risk of health care and health system expenses, among a targeted group, an insurer can develop a routine finance structure, such as a monthly premium or payroll tax, to ensure that money is available to pay for the health care benefits specified in the insurance agreement. The main objective of the study is to study about the awareness towards health insurance policies of different companies and to study about the factors that influence health insurance premium among the policy holders. For this purpose a sample of 150 was collected and percentage analysis, chi-Square tests, weighted average were used as tools to analyse the data and the conclusion is that the respondents are neutral about tax benefit, risk coverage & saving, security with high return which shows that they are unaware about the aspects and if the company tries to give more advertisements about the products then the level of awareness about the product can be increased in future period of time and if the company tries to reduce the claim span of the respondents then the level of satisfaction of the policy holders can be increased in future period of time.

Key Words: Insurance, Benefit & Risk Coverage

Introduction to the Study:

　　Insurance is a mechanism of risk shifting and sharing by pooling of risks and funds among a group of individuals who are expose to similar kinds of risks for the benefit of those who suffer loss on account of the risk. Insurance is, thus, a financial tool specially created to reduce the financial impact of unexpected events and to create financial safety. Certainly, everyone who wants to protect himself against financial hardship should consider insurance.

　　Health insurance is insurance against the risk of incurring medical expenses among individuals. By approximating on the whole risk of health care and health system expenditures, among an objective group, an insurer can develop a usual finance arrangement, such as a monthly premium or payroll tax, to ensure that money is available to pay for the health care assistances specified in the insurance agreement.

Statement of Problem:

　　Policy holder's awareness is about making the policy holders aware of his/her rights. The study is about analyzing the awareness of policy holders towards medi claim insurance as it's a need for every persons.

Objectives of the Study:

- ✓ To study about the awareness towards health insurance policies of different companies
- ✓ To know the preference of policy holders based on the premium amount charged.
- ✓ To study about the factors that influence health insurance premium among the policy holders.

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✓ To study about the customer satisfaction about medical insurance premium.
✓ To offer suggestions.

Significance of the Study:

The main significance of the study is to know about the policy holder's awareness about medi claim insurance provided by star health and to check the perception based on awareness and satisfaction.

Scope of the Study:

The study is about analysing the awareness towards health insurance policies of different companies. The main scope of the study is to analyse the awareness and that will be helpful for the company to know about the perception of policy holders which will help them to increase the volume in future period of time.

Review of Literature:

Coviello, Antonio and Di Trapani, Giovanni, (2012) said customer satisfaction with a company's services is often seen as the key to a company's success and long-term competitiveness. The insurance industry is getting a lot of attention as Customer satisfaction. In the context of relationship marketing, customer satisfaction is often viewed as a central determinant of customer retention. The overall purpose of this article is to develop a conceptual foundation for investigating the customer retention process, with the use of the concepts of customer satisfaction and relationship quality. Customer satisfaction is a key metric for insurance companies to monitor in order to gauge which areas of their customer service are strong and which areas need improvement in order to maintain or increase their membership base.

Dash, Mihir and Gunwant, Swati, (2012) examined service quality is a dominant issue in business today. Not only is superior quality linked to business success (Philips, Chang and Buzzell, 1983), but some consider service quality to be a prerequisite for the survival in the marketplace (Parasuraman, Zeithmal and Berry, 1988). Service quality was traditionally, albeit mistakenly, equated with courtesy (Benett and Higgins, 1988). Over the years, however, service quality has become more important to service businesses. In the early twentieth century, service quality has been reported as having apparent relationship to customer satisfaction.

Type of Research Design:

Descriptive researches are those which are concerned with describing the characteristics of a particular individual or a group. The descriptive research describes the demographic characteristics of the dealers and is typically concerned with determining frequency with which something occurs of how the variables vary together.

Method of Data Collection:

Primary Data:

The validity and reliability of the data collected mainly depends upon the sources selected. Taking this into account, care had been taken to collect the first hand information through form of structured questionnaires from the policy holders. The primary data was collected with the policy holders of star health insurance and the agricultural people residing at Coimbatore who have Star insurance policy and the policy was chosen with person who are having health insurance policy.

Secondary Data:

Secondary data is the information that has been gathered in some other context and is already available. Secondary data provides the case and the starting point for the research. It provides leads and clues for getting primary data required for further analysis and have a great half in completion of the project company files, former projects, reports and periodicals were reviewed for gathering secondary information.

Sampling Design:
Descriptive Research technique is adopted to undergo the study. Descriptive research includes a survey and fact finding enquiries of different kinds. The major purpose of this research is description of the state of affairs as it exists at present.

Sample Size:
In this research work, Sample Size is 150.

Sampling Area:
The study was conducted in Coimbatore town area were only limited population was chosen on random basis.

Statistical tools:
- ✓ Percentage Analysis
- ✓ Chi-Square tests
- ✓ Weighted average

Statistical Package:
SPSS Software 16.0 Version

Limitations of the Study:
- ✓ Due to time constraint, the sample size is limited to 150 & the study area is restricted to Coimbatore.
- ✓ Only those who have policy in a particular company are included in the sample size.
- ✓ Respondent may fail to express their opinions and beliefs.
- ✓ Only particular company policy holders are selected for study.

Analysis and Interpretation:

		Frequency	Percent
Gender	Male	69	69.0
	Female	31	31.0
	Total	100	100.0
Age	18-25	16	16.0
	26-35	21	21.0
	36-45	28	28.0
	Above 45	35	35.0
	Total	100	100.0
Marital Status	Married	72	72.0
	Unmarried	28	28.0
	Total	100	100.0
Educational Qualification	School level	33	33.0
	Diploma	39	39.0
	UG	6	6.0
	PG	12	12.0
	Professionals	10	10.0
Occupation	Self employed	36	36.0
	Professional	29	29.0
	Agriculturist	9	9.0
	Business person	17	17.0
	Others	9	9.0
	Total	100	100.0

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		Frequency	Percent
Awareness on Health Insurance	Advertisement	31	31.0
	Friends & Relatives	35	35.0
	Agents	4	4.0
	Others	11	11.0
	Doctor	19	19.0
	Total	100	100.0
Awareness on Tax Benefit	Highly aware	12	12.0
	Aware	26	26.0
	Neutral	34	34.0
	Not Aware	28	28.0
	Total	100	100.0
Awareness on Risk Coverage & Saving	Highly aware	24	24.0
	Aware	31	31.0
	Neutral	38	38.0
	Not Aware	7	7.0
	Total	100	100.0
Awareness on Security With High Return	Highly aware	12	12.0
	Aware	28	28.0
	Neutral	49	49.0
	Not Aware	11	11.0
	Total	100	100.0
Awareness on Insurance Services	Highly aware	51	51.0
	Aware	21	21.0
	Neutral	11	11.0
	Not Aware	17	17.0
	Total	100	100.0
Awareness on Premium Charges	Highly aware	61	61.0
	Aware	14	14.0
	Neutral	18	18.0
	Not Aware	7	7.0
	Total	100	100.0

Interpretation:

The above shows 69% are male and 31% are female. 16% are from the age group of 18-25, 21% are from the age group of 26-35, 28% are from the age group of 36-45, 35% are from the age group of above 45. 72% are married and 28% are unmarried. 33% are from school level, 39% have completed diploma, 6% have completed UG, 12% have completed PG, and 10% are professionals. 36% are self employed, 29% are professionals, 9% are agriculturist, 17% are business person and 9% are from other category. 40% are earning below 30000, 21% are earning from 30000-40000, 12% are earning from 40000-50000, and 27% are earning from 50000-60000. 31% are getting awareness through advertisement, 35% are friends and relatives, 4% are agents, 11% are from other category, and 19% are doctor. 12% are highly aware, 26% are aware, 34% are neutral, and 28% are not ware of the tax benefit of insurance. 24% are highly aware, 31% are aware, 38% are neutral, and 7% are not aware of the risk coverage & saving of insurance. 12% are highly aware, 28% are aware, 49% are neutral, and 11% are not aware of security with high return of insurance. 51% are highly aware, 21% are

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aware, 11% are neutral, and 17% are not aware of insurance services. 61% are highly aware, 14% are aware, 18% are neutral, and 7% are not aware of premium charges. 29% are consequences of obesity, 4% said as years of life lost, 1% said as fear on future health, 1% are other factors and 65% said as when need arise.

Relationship Between Age and Satisfaction on Service Provided:

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	7.627ᵃ	9	.358

Interpretation:

The above table shows about the relationship between age and satisfaction on service provided were the significance level is at 0.358 which is greater than 0.05 which shows that there is no significant relationship between age and satisfaction on service provided and age need not be taken while taking satisfaction of service in to consideration.

Weighted Average:

	Highly Aware	Aware	Neutral	Not Aware	Average Mean	Mean Rank
Awareness on tax benefit	14	41	48	22	32.80	1
Awareness on Risk coverage & saving	24	31	38	7	22.80	3
Awareness on Security with high return	12	28	49	11	25.90	2
Awareness on insurance services	51	21	11	17	19.40	4
Awareness on premium charges	61	14	18	7	17.10	5

Interpretation:

Among awareness of respondents about the factors neutral about tax benefit, neutral about risk coverage & saving, neutral about security with high return, highly aware about insurance services, and highly aware about premium charges. It shows that the respondent give more importance to no idea on awareness on tax benefit in our survey.

Suggestions:

✓ The respondents said that they are influenced by friends and relatives in our survey which shows that if the company moves their policies through reference then the need can be satisfied which leads to increase in volume of the company.

✓ The respondents are neutral about tax benefit, risk coverage & saving, security with high return which shows that they are unaware about the aspects and if the company tries to give more advertisements about the products then the level of awareness about the product can be increased in future period of time.

✓ If the company tries to reduce the claim span of the respondents then the level of satisfaction of the policy holders can be increased in future period of time.

Conclusion:

Customer awareness is the feeling or attitude of a customer towards a product or service after it has been used and is generally described as the meeting of one's expectations. The study is to analyze the awareness and preference of the policy holders on service provided by the company in Coimbatore region. The main objective of the study is to identify the factors that influence policy holders awareness towards medi claim insurance products and to find out the problem of the policy holders and to create a platform for redressing the grievances and protect the interest of the policy holders. The data was collected from 100 respondents were descriptive analysis was used as sampling technique. Percentage analysis, and chi-square were used as tool for analyzing

the data. The conclusion is that the respondents are neutral about tax benefit, risk coverage & saving, security with high return which shows that they are unaware about the aspects and if the company tries to give more advertisements about the products then the level of awareness about the product can be increased in future period of time and if the company tries to reduce the claim span of the respondents then the level of satisfaction of the policy holders can be increased in future period of time.

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