CHAPTER 1
INTRODUCTION

Ms. Bilen Lemma, a girl student from the Federal Democratic Republic of Ethiopia, was pursuing higher education, Masters of Business Administration (MBA) at the focal institute of the researcher in India. Unfortunately, she met with a road traffic accident in April 2000 and suffered a head injury and multiple fractures. She was therefore admitted to a local hospital, where she was advised to undergo a Computed Axial Tomography (CAT) scan of the brain. At the time of admission, the local hospital demanded a cash deposit. Unfortunately, Ms. Bilen Lemma did not have the requisite amount of money at that particular time & hence was denied admission. She also did not have the resources to undergo the CAT scan. In this hour of crisis, the management of the focal institute of the researcher came to Ms. Bilen Lemma’s rescue; not only did the management pay the cash deposit to the hospital, but even managed to get the CAT scan done. Ms. Bilen subsequently made an uneventful recovery. She completed her MBA

*Name, identity & photograph presented above in this research work are fictitious and illustrative purpose only. Any resemblance to persons living or dead is purely coincidental. Ethical guidelines for human subjects are followed to provide explicit provisions for respecting the privacy of research participants and maintaining the confidentiality of their personal information.
studies in 2001 & left for home. Today, Ms. Bilen Lemma is Under Secretary in
the Ministry of Education, Federal Democratic Republic of Ethiopia!!

1.1. However, this incident provoked the management to consider the plight of students
(especially International students) who are faced with such difficult situations; where
in medical services may either be delayed, deferred or even denied. A financial
support system is therefore much needed in such calamitous circumstances. Acts of
philanthropy, either by individuals or institutions are usually one time grants and
therefore do not provide a long term sustainable solution. Hence, a backup system of
managed healthcare by way of medical insurance emerges as a possible, feasible &
viable solution. In sync with this thought process, the management of the focal
institute of the researcher therefore decided to have all students medically insured &
provide all its pupils with a student medical insurance scheme to provide for
incurring unaffordable medical expenditure, especially in emergency situations.

1.2. The higher education system in India has grown in a remarkable way, particularly in
the post-independence period; to become one of the largest systems of its kind in the
world. India has 25.9 million students enrolled in more than 45,000 degree and
diploma institutions in the country\(^1\). The country is now engaged in the use of higher
education as a powerful tool to build a knowledge-based information society of the
21\(^{\text{st}}\) Century. This development is in true conformity with Alvin Toffler’s philosophy
quoted in his book on “Power Shift” wherein he states that “power has shifted from
military power to economic power and now to educational power”\(^2\). India has thus
truly emerged as an educational hub, attracting students not only from different states
of India but from other countries as well.

1.3. On a visit to Pune in the late 1950s, the then Prime Minister of India, Pandit
Jawaharlal Nehru, impressed with its array of top-notch educational institutions,
conferred on Pune city the title of ‘Oxford of the East’\(^3\). Amply justifying this title,
Pune attracts students from all over the world. Consequently, the student population
in Pune today is more than 3,00,000\(^4\).

1.4. Besides its prominent position in the education sector, Pune is home to a large
number of automobile manufacturing units and has therefore also earned the
sobriquet of being the ‘Detroit of India’\(^5\). In contrast to these laudable achievements,
Pune also has the dubious distinction of having the highest accident rates in the country. The report shows that the rate of accidental deaths in Pune is 89.4% which is the highest in the country.\textsuperscript{6} It is unfortunate that these young students in the prime of their youth cannot access medical care due to financial constraints. Therefore timely provision of financial support by way of a medical insurance coverage can serve as a lifeline converting death or disability into recovery. Though emphasizing on road traffic accidents, the scenario is very much the same for non-accidental medical emergencies too.

1.5. Considering the well-established linkage between academic achievements and health,\textsuperscript{7} the former can be facilitated only if a sound health status is ensured (\textit{Sound mind in a sound body})\textsuperscript{8}; the latter can only be achieved if adequate healthcare facilities are provided to the students. Availability, accessibility & above all affordability of healthcare services are possible through an insurance scheme which facilitates healthcare access.

1.6. The insurance sector in India has experienced a phenomenal growth in the recent past, particularly after the adoption of the policy of Liberalization, Privatization, and Globalization (LPG) in the year 1991.\textsuperscript{9} Despite this ‘opening up’ of the economy which led to a flood of insurance products and services, the impact by way of the number of individuals availing insurance is far from satisfactory. Further, unlike in the West, where medical insurance for students is mandatory at most universities; in India, it is not so at all Higher Educational Institutes (HEIs). It is erroneously believed that students represent a healthy population and therefore do not require availing healthcare services. Further, it is also assumed (again erroneously) that students do not incur high medical expenditures. With rising healthcare costs, this is only a myth!

1.7. In light of this scenario, the management of the focal institution of the researcher has rightly introduced a Student Health Insurance Program (SHIP) since 2000. Resources have been allocated by way of infrastructure, manpower (medical, paramedical & administrative) and information and communication technology (ICT) support. Active engagement of all stakeholders is ensured. Each student therefore is covered under a dual policy viz. Mediclaim policy to cover non-accidental medical
emergencies and a Road / Rail Traffic Accident (RTA) policy to cover accidental emergencies.

1.8. Experiences of implementing this SHIP for over a decade, at the focal institute of researcher, prompted the researcher to undertake this research study.

1.9. The present research study is designed to evaluate this SHIP at the focal HEI and compare the knowledge of health insurance among students across HEIs in India. Evaluation of the preparedness of all stakeholders involved in the operations of SHIP (by way of personal training & a questionnaire), its implementation at the level of the beneficiary (by way of personal training and a feedback questionnaire) and finally evaluation of the impact of the above on the beneficiary which ultimately constitute the SHIP experiences of the student has been the broad outline of this exploratory & descriptive study. The results of this study form the basis of policy recommendations for implementing a ‘model’ SHIP at HEIs across India.