CHAPTER – VII
SUMMARY OF FINDINGS SUGGESTIONS AND CONCLUSION

7.1 Summary

The research contains varied analyses of the impact of health insurance among the urban population in different socio-economic and organizational settings. It begins with an introduction and comprehensive literature review that distills findings on prior studies that examine causal effects between health insurance and health outcomes. This is followed by the role of health insurance market in India, important health insurance companies and products and functions of IRDA and Grievance Redressal are the part and parcel of the study. This chapter summarizes the main findings, which can help to give suggestions for improving health insurance services in India. Heterogeneity shapes the impact that health insurance has on outputs and outcome measures in one health insurance company versus another, so that the measured effects of health insurance on access, service uptake, and out-of-pocket spending vary widely across countries. Opinion from the policyholders of the health insurance companies relating to health insurance policy procedure and processing are gathered. Grouping the respondents of the primary survey using the mathematical model to differentiate the groups of individual having different opinions is carried out.

Secondary data were mainly collected from Annual Reports of Insurance Information Bureau India, Report of IRDA, and Statistical Tables relating to insurance companies. Primary data were collected through questionnaire by contacting the policyholders of various health insurance companies. Questions were asked to gather the data regarding the importance of health insurance, knowledge about health insurance companies and its procedures, benefits availed from the health insurance policy, problems faced by the policyholders and level of satisfaction. The respondents were randomly selected from the district of Chennai in Tamil Nadu. The data collected from the primary data source were entered into excel format and analyzed using SPSS. Several tests and analysis such as Chi-Square test, F-Test, ANOVA, Factor Analysis, Cluster Analysis and Discriminant Analysis were carried out to verify the validity of the primary data.
The district of Chennai is one of the metropolitan in the country has a number of public and private sector health insurance companies. The health insurance companies have played a major role for a decade and have been responsible to access healthcare benefits over the years. The result of the study is intended to help in assessing the level of awareness of insured about the policy coverage procedures and conditions in various states of our country.

7.2 Findings

The following are the major findings based on the data collected and the same using statistical tools to find the association and relationships with variables.

In connection with the first objective, i.e., “to analyze the socio-economic determinants of health insurance buyers in Chennai District.”, the below stated findings are recorded.

- Pearson’s Chi-Square test results identified that demographic features of the respondents have significant influence in choosing preferred health insurance providers and policies.
- Educational qualification and occupational status are the important factors which influence the respondents to buy preferred health insurance policy.
- Majority of the respondents (89 %) earnings are from salary. It reveals that salaried classes are having a regular income; hence they have health insurance policies from various health insurance companies.
- Majority of the respondents are male members more responsive to avail health insurance policies.
- Middle age groups (63 %) are more interested to take health insurance policies than other age groups.
- Respondents from backward community demands health insurance policies from various providers more than those from other community categories.

In connection with regard to the second objective, i.e., “to study the trends in Health Insurance and to identify the preferred Health Insurance providers.” the below stated findings are recorded.
• It is found from the World Insurance Report that, the share of Indian Non-life insurance premium in the global non-life insurance premium was small at 0.83 percent and India presently ranked 15 in global non-life insurance products.

• In terms of market share of health insurance premium, the four public sector general insurers continue to hold larger market share at 63 percent during the financial year 2016-17, the share of private sector general insurers in health insurance premium is declining from 27 percent in the financial year 2012-13 to 19 percent during the financial year 2016-17. And the share of standalone health insurance in health insurance premium had grown up from 11 percent to 18 percent over the last 5 year period.

• The Net ICR has consistently grown up from 94 percent in 2012-13 to 106 percent in 2016-17.

• Statewise distribution of the health insurance business has indicated a skewed distribution of health insurance business across various States and Union Territories of India. The state of Tamil Nadu contributed 13 percent of the total health insurance premium.

• A stand-alone health insurance company of Star Health and Allied Insurance Company is the most preferred health insurance company by the respondents.

• Mediclaim policy from various health insurance companies is the most preferred health insurance policy by the respondents.

• Majority of the respondents are preferred various policies under the coverage of family floater plan.

• Low premium, easy accessibility, quality service, quick delivery of policy, easy renewal and easy to get claim amount are the reasons for choosing policies from a particular health insurance company by the policyholders.

• Pearson’s Chi-Square test inferred that,
  
  ➢ Selection of preferred Health Insurance Companies has a significant association with the policies which are preferred by the policyholders.
  
  ➢ There is an association between a selection of particular policy and pattern of health coverage which are preferred by the policyholders.
In connection with the third objective, i.e., “to evaluate the awareness level of health insurance policies and the providers in Chennai District.” the following findings are recorded.

- The study reveals that the media plays a vital role in imparting information about health insurance.
- Majority of the policyholders from various health insurance companies are aware of the policy procedures, conditions, coverage and exclusions only after buying the policies.
- Pearson’s Chi-Square test indicates that awareness about the health insurance services and its availability are significant for purchase decision and its utilization among the policyholders.
- In factor analysis, the three factors on sources of information are loaded nearly 61 percent of the total information.
- Component analysis with Varimax Rotation on the awareness about sources of information, factor loading are negative on the variable ‘insurance agent’.
- Principle Component Analysis account for factors on knowledge about insurance policies loaded almost 65 percent of the variability in the original value.

To analyze the fourth objective, i.e, “to elicit the opinion of Health Insurance policyholders in connection with the policy benefits.” the following findings are identified.

- To meet hospital expenditure is the most important benefit of the health insurance policy as perceived against other benefits.
- Majority of the respondents opined that the payment of the premium amount is normal at the time of purchase and at the time of renewal the premium paid is higher.
- Most of the health insurance providers are offering reimbursement benefit than the cashless benefit on their products.
- F- test result reveals that there is a significant association between the selection of policy and benefits availed from the policy.
Tuskeys HSD Post hoc test reveals that the benefit index is found to be significantly higher among policyholders of SBI General Insurance and Bajaj Allied Insurance Companies.

In policywise post hoc test result reveals that the benefit index is significantly higher among Senior Citizen Red Carpet policyholders, Critical Illness policyholders and policyholders of more than one policies.

To analyze the fifth objective, i.e., “to examine the problems faced by the policyholders in accessing health care services.” the following findings are identified.

- Majority of the respondents opined that they faced different problems at the time of making claim.
- F-test reveals that
  - There is an association between preferred health insurance companies and problem faced by the policyholders at the time of making claim on their policy.
  - There is an association between various health insurance companies and the reason for rejection of the claim.
  - There is an association between preferred health insurance companies and problems faced by the policyholders at the time of renewal of the policy.

The study observed that the 1/4th of the respondents’ claim is rejected by the health insurance companies for various reasons. Treatment is not under the purview of medical policy and no-claim due to pre-existing diseases are the two major reasons to reject the claim.

- Procedural factors and payment of high premium are the major problem at the time of renewal of policy.
- One way ANOVA reveals that the preferred health insurance policy does not have any influence over the problem while claiming index, the problem in renewal index and rejection of claim index.
Post hoc test reveals that the problem while claiming on policy, policyholders from Star health and Allied Insurance Company found to have significantly higher values.

In connection with regard to the sixth objective, i.e., “to analyze the satisfaction level of health insurance buyers towards the Health Insurance Companies’ services and their policies.” the following findings are identified.

- Likert’s scale reveals that the consent of policyholders level of satisfaction on their health insurance policies is neither satisfied nor dissatisfied.
- F-test reveals that there is an association between the level of satisfaction and preferred health insurance companies as well as their policies.
- Post hoc test reveals that in satisfaction index, policyholders with more than one companies found to have significantly higher values.
- There are seven factors on the variable level of satisfaction, resulting from the total of 63.185 percent of the variations in the entire data set.
- Factor analysis on the level of satisfaction towards health insurance policies and their services, factor loading are negative on factor 3 with the variable ‘promptness in issuing the renewal policy, factor 4 with the variable ‘No Claim Bonus’ and factor seven with ‘premium payable’.

Based on the objective of the study, the researcher applied various analysis regarding the influence of impact on the selection of preferred health insurance companies and their policies.

- One-way ANOVA method reveals that the study is inferred that the selection of health insurance companies has an impact on the variables such as benefit index, problems while claiming index, problems in renewal index, rejection claim index and satisfaction index.
- In Cluster analysis – a test of equality of group means are expressed in terms of F-values and the values are statistically significant except the satisfaction index.
- Mean values are compared for equality using Tuskey’s B test of all four index like benefit index, problem-while claiming index, problem-while renewing
the policy and rejection of claim index are inferred that there is equality of mean of the three groups compared.

- The Discriminent analysis shows that the cluster groups of health insurance and its index are 99 percent rightly classified.

7.3 Suggestions

Based on the findings of the study the researcher is able to give the following suggestions in addressing the necessity of health insurance policies, improve the knowledge about the health insurance policies and policy benefits on policyholders and develop the health insurance companies towards their customers. When the suggestions are implemented in script, it will definitely help the health insurance companies to improve the policy benefits and obtain optimal policy benefit without delay by the policyholders.

- To scale up health insurance coverage in India, it is necessary to design health insurance schemes based on the preference of the policyholders.
- There is a definite need to undertake publicity and increase awareness of health insurance, in which IRDA must play a pro-active role. IRDA and Government should be more and productive, to organize insurance awareness camps for familiarity with the health insurance system and motivating the people to prefer their healthcare benefit.
- Health insurance companies should be permitted to accept long-term deposits from those insured with the company. Such deposits should be made into a ‘healthcare savings account’.
- The Special Committee has made recommendations to further streamline the procedural and operational issues related to senior citizens.
- The Public sector, Private sector and Stand-Alone health insurance companies need to co-ordinate the efforts to provide common health insurance schemes and medical services generally regarded as a high-quality system without problems.
- Health insurance can be made viable not only by having properly designed products but also through appropriate pricing. The study suggested that
insurers should fix a ‘common’ price for their products based on the age of insured.

- Policyholders are expecting a real compensation at the time of hospitalization, so it is suggested to all health insurance companies to assist all the medical requirements needed by the policyholders without any denial and delay.
- Promotion of insurance education plays a significant role in the health insurance business; it helps to create knowledge about health insurance, the types of health insurance coverage available and the benefits that an insurance cover could yield.
- Insured should reveals their preferences for the various health insurance benefits with their health insurance package on or before buying the policy.
- The insurance providers with the help of state healthcare bodies should try to expand their network to smaller hospitals, clinics, and dispensary so that insurance claim becomes hassle free for the major population.
- Insurance providers have to take inspiration of digitization of several processes such as tax filing and claims, developing an IT infrastructure for the same where enrollment, payments and claims are completely online with minimum hassles and search costs.
- Health insurance providers can link health insurance services to improve the continuity of healthcare among the policyholders and thereby encouraging participation in the insurance scheme.
- Mapping the utilization of policy benefits is to be useful to strengthen the policyholders on use of health insurance products.
- There is an emerging need for insurance agents to ensure not only the basic information about the health insurance policies and also update the information about the policy to the policyholders.
- Government assistance in health insurance sector helps to upgrade their quality systems to adhere the international standards.
- Health insurance companies should give the option to prefer cashless benefit than the reimbursement. It eliminates filthy procedures on what the insurance company is willing to pay on their policy.
• More transparent decision-making process to prioritize coverage of specific health disorders and reducing inequalities in healthcare. Such a process requires all stakeholders to take responsibility and engage in the process of reducing inequalities in healthcare.

• Health insurance companies can create a ‘customer report’ to provide policyholders up-to-date and online information about policy coverage and pricing, payment of premium, date of renewal, claim procedures, details of network hospitals etc.

• Health insurance sector should re-assess the health insurance portability and provision based on the preference of their customers.

• Health insurance sector should eliminate the disparities in reimbursement between the network hospitals.

• Health insurance sector require co-pay for individuals to reduce the premium on their policy.

• Adopting of coding system is to convert medical terms into codes, which can be easily understood by the policyholders as well as insurance companies.

• If the policyholder had not claimed any medical benefit from the preferred policy, the health insurance company can carry forward the premium amount to next year while renewing the policy. It helps the policyholder to continue or renew the policy.

7.4 Conclusion

India’s landscape of health insurance coverage has undergone tremendous changes in the recent years. The continuance of various health insurance schemes ultimately hinges on the financial sustainability of the schemes. Insured under various health schemes shows an increasing trend over the period of time. But the utilization under health insurance policy is low because the insured is unaware of the policy benefits and its coverage. The researcher has discussed various options for health insurance providers in designing awareness campaign, developing health insurance packages and also for close collaboration between the private and public sectors. The research findings have brought out the fact that policyholders are not able to clearly comprehend the extent of coverage being under the preferred health insurance policy,
resulting in lack of awareness and low propensity for health insurance. Generally, people are very much dependent on the agents for information about health insurance and for taking health insurance policies. Even after taking a policy, policyholders expect help from the agents. This brings out the need to ensure that the agents are trained in all aspects of insurance, so that in turn they can provide the right kind of information to the policyholders.

Hence it is important for the policyholders to know about the benefits of the health insurance for gains and opportunities and the health insurance companies or the regulatory authority need to step-up efforts to improve the awareness levels across the country. The strenuous effort of health insurance is to provide policyholders with not only products that can address issues of prevention, lead to wellness and thereby help them to lead longer, healthier and happier life.

From the future point of view, several factors are expected to be instrumental in overcoming the challenges existing in the health insurance industry and molding the future of health in India. With the support of the stakeholders and customers the factors could help strife the challenges and facilitate extensive health insurance coverage in India.