SYNOPSIS

For any society to develop and thrive collectively, it is important that its citizens have access to basic resources and opportunities to utilize them. Access to healthcare services and their utilization are amongst such basic necessities of life. Despite many decades of efforts, India still lies in the bottom half of the country-wise table of health performance indicators, released annually by World Health Organization. This implies there is a need to study the reasons that are holding back India’s progress on the health front. Existing literature on Indian healthcare services has focused on understanding the utilization of these services as an important aspect in addressing healthcare issues. We believe that in a welfare state like India, where both public and private outfits provide healthcare services, an improvement in utilization ratio of public to private healthcare services can go a long way in addressing healthcare issues.

Hence, in the present thesis, we have tried to identify the determinants of choice of healthcare service providers among the Indian population. We have proposed a conceptual model that could help in identifying the variables that cause an individual to choose between public or private healthcare services. Apart from the public service providers and private service providers, we have also included the Indian medicine providers under the ambit of the study, in order to better understand the choice patterns. We have performed empirical analysis with the help of two studies to test the model and the proposed hypotheses. Given the existing differences between the rural and urban population, the thesis also compares the choices of individuals from these two neighborhoods separately.

We chose National Family Health Survey – 3 (NFHS-3; conducted by Ministry of Health & Family Welfare, Govt. of India) data for conducting our first study. This survey provides a pan
national data covering most of the country and would therefore enhance the generalizability of the results. We also realized that this large data set from NFHS -3 does not include information on some of the important variables that were part of our proposed model. These variables represent contemporary socio-cultural and healthcare service related characteristics that are critical in obtaining meaningful insights in the (healthcare) choice behavior. Hence, we conducted a second study that relied on primary data collected from the field.

We performed logistic regression analysis on the data for both the studies to test the various hypotheses. Results reveal that income is a key factor that affects the choice of healthcare providers in the urban settings. The result indicates that rural settings offer a huge potential to various stakeholders for developing healthcare infrastructure. As far as public healthcare service providers are concerned, the negative perceptions of quality, in general, are a cause of concern. The study’s findings support the importance of accessibility for improving utilization of public healthcare services. The results also show that mass media influences the choice of healthcare service provider for both rural as well as urban areas. Findings of the studies also highlight the importance of education in evaluating various options of healthcare services in both urban and rural areas. Based upon these findings, theoretical, managerial, and policy implications are discussed and opportunities for the future research are identified.