

HEALTH INSURANCE IN PRIVATE AND GOVERNMENT SECTORS: A COMPARATIVE STUDY

Sarita Beniwal*
Dr. Ashish Gupta**

ABSTRACT

This paper endeavors to direct a comparative study among Government and Private health care sectors. This Research work is absolutely concentrating on the consumer conduct towards various sorts of Health Insurance Policies, and additionally customer's mindfulness, preference and utilization designs. As today numerous Health Insurance Companies are coming in the city, for choosing test sampling technique was used. Purpose of this study is to recognize the qualities of various factors which are generally in charge of taking health coverage approach by the general population of city, likewise the primary point of research work is to discover buying behavior of the general population before buying health policy and to discover what the element behind it is. This study uncovers that the government health centers still act as a pillar of hope for the poor and middle-class people, who can't tolerate the high cost of the treatment in the private clinics, whereas facilities are better in private sectors.

KEYWORDS: Health Insurance, Regulatory Policies, Preference & Utilization Designs, Health Policy.

Introduction

The wealth of a country is said to depend on upon the health of its citizen. The health of inhabitants should dependably be the nation's central thought. It is a vital measurement of personal satisfaction. Along these lines, there is a prevalent view that the most significant resource of a nation is the health of its residents. However, there is another view that lays more emphasis on the importance of education in achieving sustainable socio-economic progress. As, I would like to thank, both health and educational are equally essential assets of financial, social and individual headway. Healthcare in India consists of a universal health care system run by the respective State Governments. The Constitution of India charges every State Government with 'raising of the level of nutrition and the standard of living' of its people and 'the improvement of public health' as among primary duties. The National Health Policy was endorsed by the Parliament of India in 1983 and updated in 2002.

Objectives of the Study

The motivation behind this study is to discover the Awareness, Preferences and Buying pattern of Health Insurance, in four primary Health Insurance organizations. The main objectives of the study are:-

- To assess the individual awareness about Health Insurance.
- To know the preference of individual regarding health insurance.

* Research Scholar, Department of Accountancy and Business Statistics (A.B.S.T), University of Rajasthan, Jaipur, Rajasthan.

** Vice Principal, Mahaveer College of Commerce, Jaipur, Rajasthan.

- To evaluate consumption patterns of health insurance.
- To assess the effectiveness of company services

Research Methodology

In this study, the methodology that has been adopted involves collection of secondary data. Secondary DATA comprises of distributed information gathered through

- Web sites
- Journals
- Research papers
- Magazines
- Books
- News papers
- Samples size taken was 300

Company Name	Sample Size
BAJAJ ALLIANZE	50
NEW INDIA HEALTH INSURANCE	50
ICICI LOMBARD	80
STAR ALLIED HEALTH INSURANCE	60
OTHER COMPANIES	60
Total	300

A comparative study health Insurance has been done in ICICI Lombard, Star Allied Health Insurance, Bajaj Allianz, New India Assurance, and other companies, the respondents were Senior manager, middle level manager, agent, broker, customers. The sampling technique was Quota sampling, The research tool are questionnaire.

Meaning of Health Insurance and Health Insurance in India

Health insurance is insurance that covers the entire or a piece of the danger of a man bringing about medical costs. By assessing the general danger of human services and health framework costs, among a focused on gathering, a backup plan can build up a standard fund structure, for example, a month to month premium or finance expense, to guarantee that cash is accessible to pay for the social insurance benefits indicated in the insurance agreement. The advantage is directed by a central association, for example, an administration office, private business, or not-revenue driven element. As per the Health Insurance Association of America, health insurance is characterized as "scope that accommodates the installments of advantages subsequently of ailment or damage. It incorporates protection for misfortunes from mischance, restorative cost, incapacity, or inadvertent passing and evisceration".

Advantages of Health Insurance

- Medical cash benefits
- Cashless facility
- Before and after expenses
- Other benefits

Important Features of Health Insurance

Despite the fact that the elements may differ from insurer to insurer, some essential features are:

- Repayment for Hospitalization because of illness/disease/surgery
- Repayment for Domiciliary Hospitalization costs in lieu of Hospitalization
- Pre-hospitalization Expenses
- Post-hospitalization Expenses
- Ambulance vehicle Charges
- Cashless Access
- Income tax benefit

Importance of Health Insurance

The importance of Health Insurance can never be underestimated for the accompanying reasons:

- Provides security to human life which is of prime significance to any person.
- Closely bonds Insurance Companies, Hospitals, Policyholders and TPAs together for the advantage of Indian masses.
- A response to the arrangement of vulnerabilities and dangers that are common and constantly swarming in human life.
- Access to quality social insurance.
- Methods for reserve funds and a sheltered speculation choice.
- Provides money related steadiness in life.
- A duty sparing instrument that altogether contributes in diminishment of expense findings.
- Reduces pressures and stress, caused because of hospitalization.
- Significantly contributes in driving a tranquil life.

There are Many Different Types of Health Insurance

- Individual health insurance
- Student medical insurance
- Floater policy
- Tax saver
- Overseas mediclaim policy
- Critical illness policy

Health Insurance in India

Health insurance in India is a developing section of India's economy. In 2011, 3.9% of India's total national output was spent in the health part. As indicated by the World Health Organization (WHO), this is among the most reduced of the BRICS (Brazil, Russia, India, China, and South Africa) economies. Approaches are accessible that offer both individual and family cover. Out of this 3.9%, medical coverage represents 5-10% of use, bosses represent around 9% while individual use adds up to an astounding 82%. It was launched in 1986, the medical coverage industry has become altogether mostly because of progression of economy and general mindfulness. As indicated by the World Bank, by 2010, more than 25% of India's population approached some type of medical coverage. There are independent health insurers alongside government supported medical coverage suppliers. Up to this point, to enhance the mindfulness and decrease the stalling for purchasing medical coverage, the General Insurance Corporation of India and the Insurance Regulatory and Development Authority had launched a mindfulness battle for all fragments of the population.

Health Insurance is Divided into Three Types in India

- **Social**
 - Employees state Insurance Scheme (ESIS)
 - Central Government Health Scheme (CGHS)
 - Self-Employed Women's Association (SEWA)
- **Community Based Health Insurance**
- **Private**
 - Individual policy
 - Group Mediclaim policy (also known as GMC).

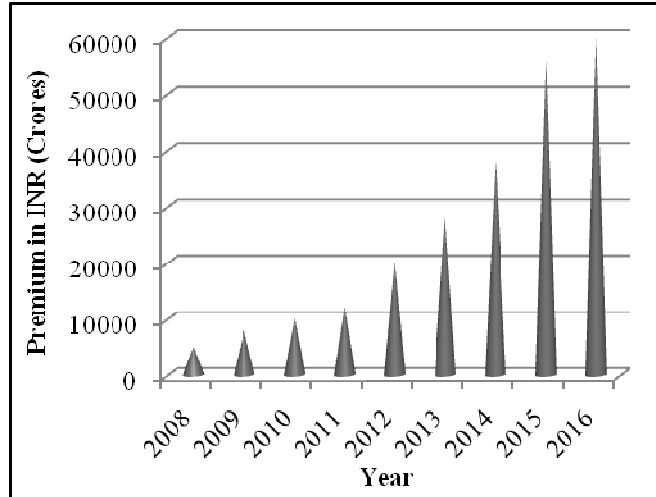
Indian Health Insurance Market Analysis

Indian Health Insurance Market (2004-2011)

- Health Insurance is one of the India Largest part, as far as income and work and area is growing quickly.
- Health Insurance spend in India is presently ready to touch 8% of GDP in 2012 (5.5 in 2009)
- Private Sector records of aggregate human services spending in India.
- Fastest Growing section in the Insurance Industry – Presently Growing at 32%

- Health Insurance part balanced for enormous development

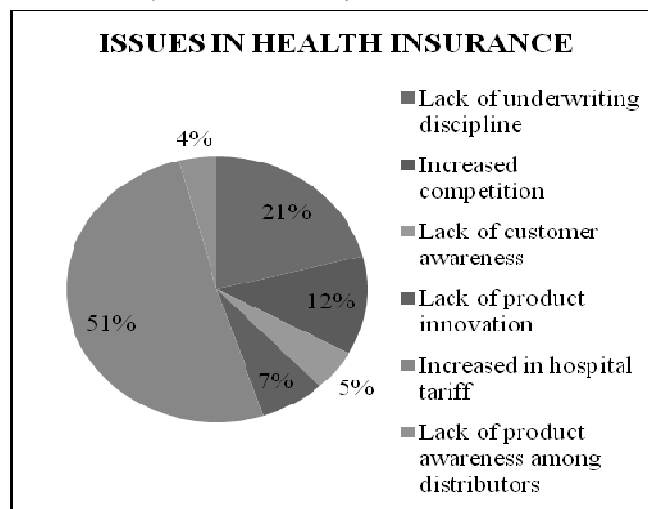
The Growth Chart



Major Issues in Health Insurance

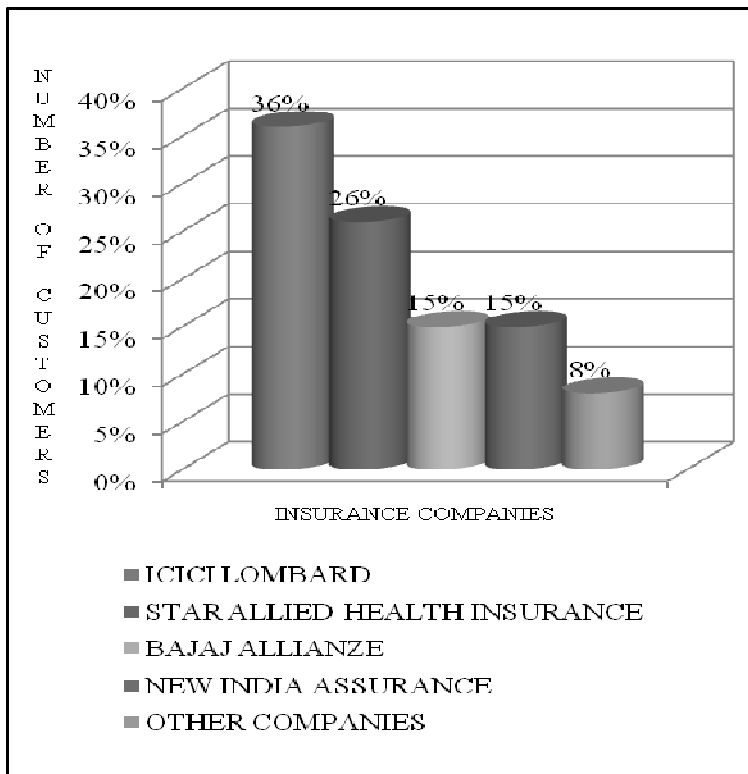
In India there has been many issues in taking care of the Health Insurance since Lack of guaranteeing Discipline, Lack of item development, Lack of item mindfulness , increased rivalry, increased claim cost and some more, due to this significant issue clients did not arrive item in appropriate way.

As per the chart of issues in health insurance, it demonstrates that the rate of guaranteeing order if high so to decrease such sort of issue government needs to make strict move against this issues , on the grounds that it influence the dedication of the client and brand picture of the organization too. Insurance agency is driving in item advancement; an item is heap of fulfillment that a client purchases. A development arranged firm dependably looks past the current items or administrations and there firm ought to react to dynamic condition and offer new administrations. So in view of absence of item development client are not prepared to buy that item. Absence of item mindfulness among wholesalers, on the off chance that they are not in position to acquaint the item with client it won't be in a position to comprehend the significance and employments of medical coverage. it is properly said that mindfulness create mark value , because of mindfulness a client perceived the item and buy the same , a client is in position to recognize the item in light of such mindfulness. The firm needs to battle rivalry; advancement will be centered on pulling in new clients and held rehash clients. The firm may enhance benefit quality and new components and offer low premium costs to pull in cash conscious clients.

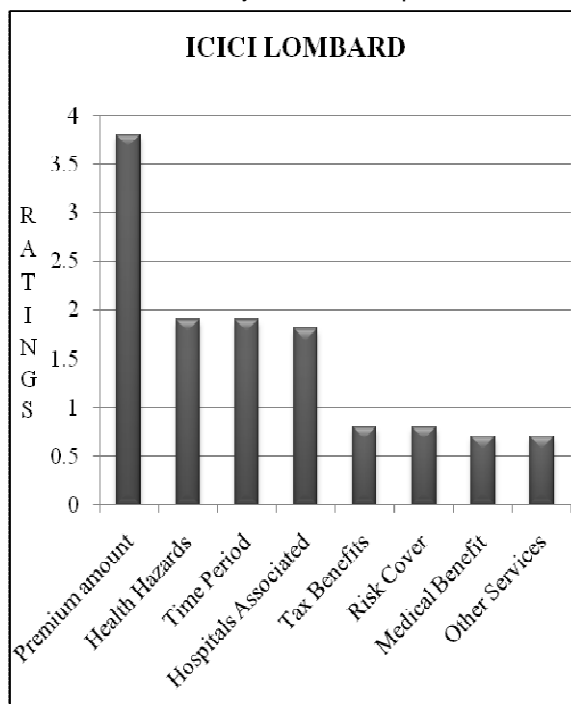


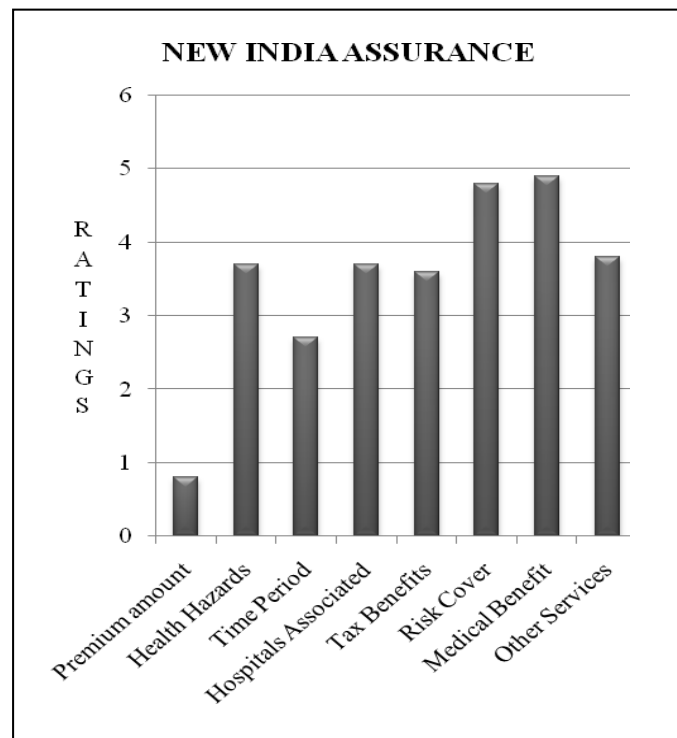
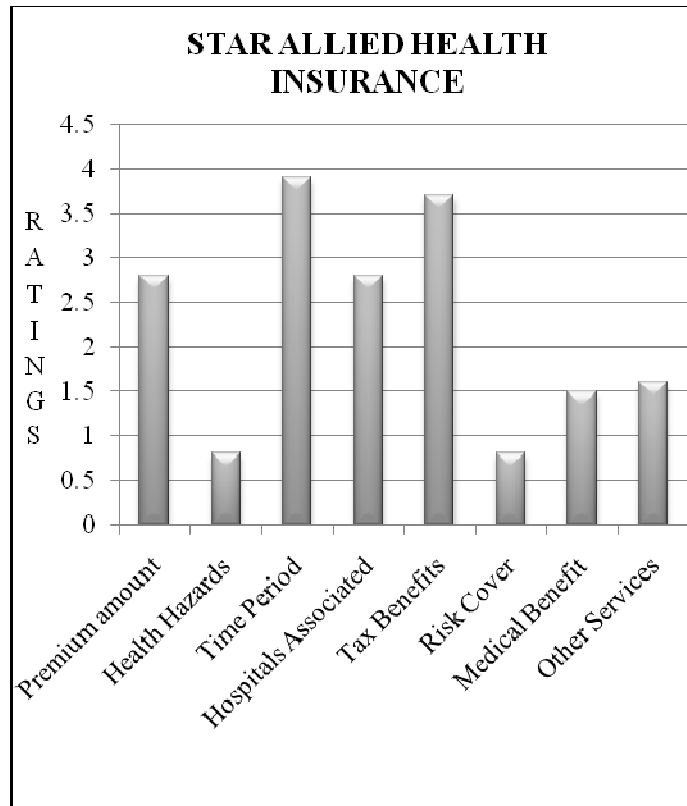
Data Analysis and Findings

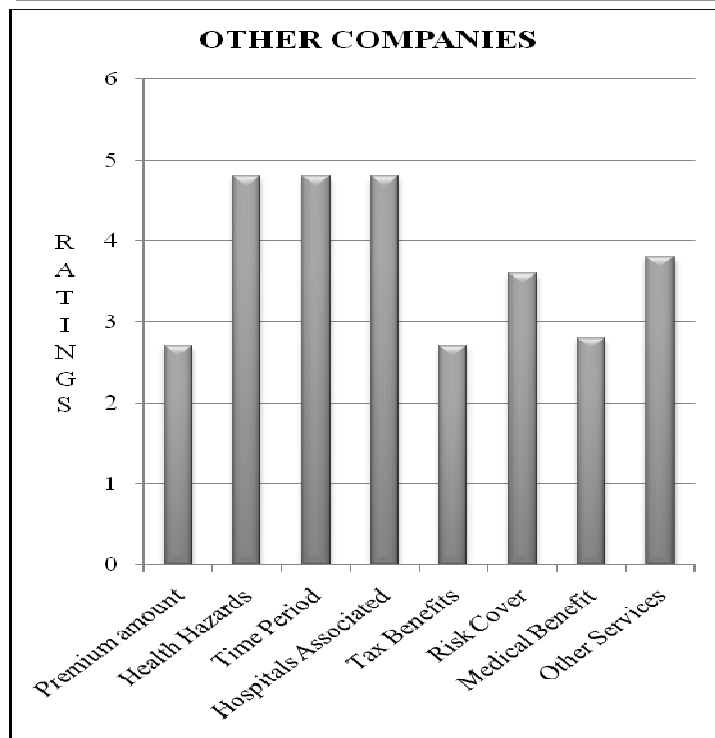
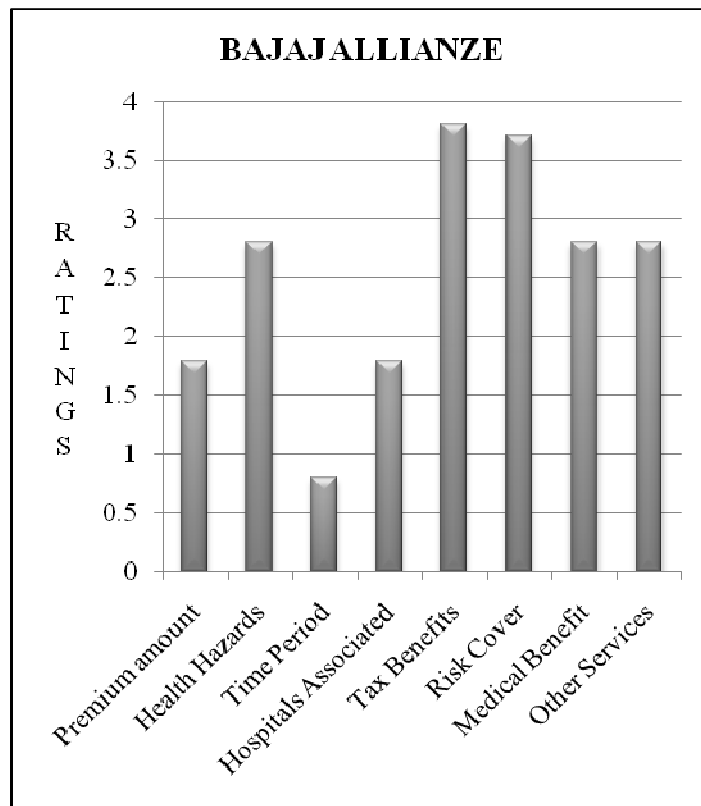
- Number of Customers Joined



- Comparison of various factors covered by different companies







Conclusion

Based on the secondary data collected and using ranking technique it was found that:

ICICI Lombard consistently stand on 1st and 2nd rank, the policy covers reimbursement of hospitalization expenses incurred for diseases contracted or injuries sustained in India. Exclusion clauses apply. Moreover, favourable claims experience is recognized by discount and conversely, unfavourable claims experience attracts loading on renewal premium. On payment of additional premium, the policy can be extended to cover maternity benefits, pre-existing diseases, and reimbursement of cost of health check-up after four consecutive claims-free years. In case of Star Allied Health Insurance got approximately equally preferred by the customers they given similarly 2nd rank to both of them. But in case of Bajaj Allianz and New India Health Insurance, both the companies premium is low as compare to other company most of the middle class people preferred this companies plan but they are not providing the services up to the mark the coverage of health hazard, Converge of risk and list of Associated Hospitals as compare to ICICI Lombard and Star Allied is not up to level. As per secondary data collected-Bajaj Allianz” Standard Health Insurance policies, it has become the 3rd most preferred Health insurance company. Many of other companies like HDFC standard life Insurance, Apollo Munich, Cholamandalam, United Health Insurance companies Health Plans are less impressive, and are ranked fourth.

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