

An Analysis of Health Insurance Policyholders' Experiences in Mysore City

Dr. Mahadevanayaka N S
Assistant Professor, Department of Commerce,
Government First Grade College, Bannur - 571101

Abstract

This study examines the experiences of health insurance policyholders in Mysore City, exploring factors influencing satisfaction, challenges faced, and expectations from insurance providers. Through a survey of policyholders, the research investigates service quality dimensions, including claims processing, communication, and support. The findings highlight key areas for improvement, such as reducing claims processing times, enhancing transparency, and providing personalized support. The study's insights can inform health insurance providers' strategies to enhance policyholder satisfaction, build trust, and improve loyalty in Mysore City.

KEY WORDS: *Challenges, Policy Holders, Service Quality, Claims Processing.*

INTRODUCTION

Health insurance plays a vital role in ensuring access to quality healthcare services, mitigating financial risks associated with medical expenses, and promoting overall well-being. In India, the health insurance industry has witnessed significant growth in recent years, driven by increasing awareness, government initiatives, and rising healthcare costs. However, despite the growth of the industry, policyholders often face challenges in terms of service quality, claims processing, and communication. The health policy of the Government of Karnataka emphasizes 'equity, integrity and quality in health care'. To this end, the State government has sought to initiate and promote health insurance schemes that target the disadvantaged sections of society. Considering the implications of health for poverty and well-being and vulnerability of the poor to health shocks, the state government sponsored health insurance schemes can mitigate the adverse effects of ill health substantially. Medical services and surgical procedures entail enormous expenditure, a significant proportion of which is likely to be out-of-pocket expenditure (*Rajasekhar, Suchitra and Manjula, 2008*). Health shocks can therefore deal a crippling blow to below poverty line households and those on the fringes of impoverishment. In order to address these issues, the health policy of the Government of Karnataka has noted that "pilot studies will be undertaken and encouraged to experiment with innovative health financing schemes such as community financing and social insurance, with particular focus on the rural and urban poor etc.

Literature Survey

Abaidoo (2015) aimed at identifying the customer satisfaction strategies in insurance industry for a successful implementation of business. The strategic importance of customer satisfaction to a business firm's growth largely depended on the satisfaction of the customers.

Hussen (2015) investigated the level of satisfaction and loyalty of the policyholder towards insurance companies. The study examined the customer satisfaction level through the application of two different customer satisfaction tools such as SERVQUAL and overall customer satisfaction models. Studies focused on the satisfaction among public and private limited companies and the type of policies in health insurance sector were minimal. To fill this gap the current study has been carried out.

Priti Kiran (2016), in their paper “Life Insurance Industry in India - Current Scenario” discussed that life insurance in India’s trend from the year 2005-06 to 2010-2011. During the study period this sector moved upwards from the factors like number of offices, number of agents, new business policies, premium income etc. Further, many new products like ULIPs, pension plans etc. and riders were provided by the life insurers to suit the requirements of various customers. However, the new business of such companies was more skewed in favour of selected states and union territories.

Badlani (2018), in their research, attempt to identify the key success factors in the life insurance industry, in terms of customer satisfaction so as to survive intense competition and to increase the market share. The objectives of the study are to identify the factors of customer satisfaction in retail life Insurance in India and to study the importance of technology in fulfilling Customer Satisfaction. Data was collected from 206 insurance customers of the ten public and private sector life insurance companies from the major cities of Rajasthan.

Preeti Singh(2020), in their research, “An Empirical Analysis Of Insurance Industry In India” have analysed the overall performance of Life Insurance Industry of India between pre- and post- economic reform era and also measure the current status, volume of competitions , challenges faced by the Life Insurance Corporation of India and lastly to measure the effectiveness of investment strategy of LIC over the period 1980 to 2009.They have highlighted the role of LIC as a primary player in life insurance and how there is growth in performance of Indian Life Insurance industry and LIC due to the policy of LPG.

Kumaraswamy (2022), in her research, “SWOT Analysis for assurance: Application Of Confirmatory Factor Analysis: Review Of Research” has stated that Bank places highest priority on customer service and satisfaction has a competitive edge over its competitors. But Customer satisfaction is an important strategy for banks in insurance selling as the bank refers their customers to the insurance company. In her research she has examined the prospects of assurance based on the respondents' perception towards the strengths, weaknesses, opportunities and threat factors pertaining to the assurance venture.

Methodology:

The present study consists of primary as well as secondary sources of data. In this study purely focused on empirical analysis the data has been collected by issuing of questioner from 50respondents or policy holders from SBI General Insurance Company and another 50 respondents or policy holders from Aditya Birla Health Insurance Company situated in Mysore City. The method of sampling used systemic random sampling method has been used in this study. The secondary data was collected from research publications in books, journals and periodicals, dailies, dissertation work and conference proceeding on health insurance. The analysis of data using SPSS applying descriptive statistics, Chi square Test, etc.

OBJECTIVES

1. To examine the demographic profile of the policy holders of selected health insurance Company in Mysore City.
2. To assess the issues and challenges faced by the policyholders in selected health insurance.
3. To give major findings and suggestions for the study.

Hypotheses:

- H0: There is no significant relationship between demographic profiles of the policy holders.
- H1: There is a significant relationship between demographic profiles of the policy holders.

- H0: There is no significant relationship between issues and challenges faced by the policyholders in selected health insurance
- H2: There is a significant relationship between issues and challenges faced by the policyholders in selected health insurance

RESULTS AND DISCUSSION

1. Demographic variable of the policy holders of selected Health Insurance Company:

Table No.1 represents the demographic profile of policy holders in selected Health Insurance Company at Mysore City. The overall respondents were numbering 100 respondents out of those 80 respondents were male and 20 respondents were female respectively. In the context of age pattern, majority of the respondents numbering, 40 respondents are belongs to age group of between 30 to 40 and above 40 years, this older age group of respondents more taken health insurance policy holders. Further educational background of the respondents majority numbering, 30 and 25 respondents were professionals and graduate respectively. In the case of job title, numbering 45 and 30 were government and private employees are more health insurance policy holders respectively. Lastly in the case of work experience, numbering, 35 and 30 respondents were belongs to the category of less than 5 years and between 5-10 years respectively. This was followed by around 40% and 35% of the respondents are invest various health insurance policy plans and life insurance policies respectively.

Table No.1

Demographic Background of the Policy Holders

Particulars	Frequency
1. Gender Profile:	
a) Male	80%
b) Female	20%
2. Age Pattern:	
a) Less than 30 years	20%
b) Between 30-40 years	40%
c) Above 40 years	40%
3. Educational Background:	
a) Post Graduate	15%
b) Professionals	25%
c) Graduate	30%
d) Diploma	30%
4. Occupation Level:	
a) Government employees	45%
b) Private employees	30%
c) Business/others	25%
5. Work Experience:	
a) Less than 5 years	35%
b) Between 5-10 years	30%
c) Above 10 years	35%
6. Type of policy:	
a) Term insurance	25%
b) Health policy plans	40%
c) Life Insurance etc.	35%

Source: Field: Survey. Significant Level is 5%

To calculate, chi –square test for data of age pattern, gender and job title, the P value (Sig 2-tailed) which is less than the Alpha value of 0.05, it was found to be significant. Therefore the results indicate that the stated null hypothesis to be rejected and alternative hypothesis is accepted. The data of education background and work experience of the respondents the P value (Sig 2-tailed) which is more than the Alpha value of 0.05, it was found to be insignificant. Therefore the results indicate that the stated null hypothesis to be accepted and alternative hypothesis is rejected.

Table No.1 (a)

Results of Chi-Square Test

Variables	Chi-square	P-value	Hypothesis
Gender	3.214	0.000	<i>Ho=Rejected</i>
Age Pattern	2.415	0.000	<i>Ho=Rejected</i>
Educational Background	2.471	0.555	<i>Ho=Accepted</i>
Occupation Level	1.114	0.002	<i>Ho=Rejected</i>
Work Experience	1.654	0.082	<i>Ho=Accepted</i>
Type of policy	3.221	0.000	<i>Ho=Rejected</i>

Significant Level is 5%.

2. Issues and challenges faced by the policyholders in selected health insurance:

Table No.2 representation issues and challenges faced by the policyholders in selected health insurance in Mysore City. According the statistical results shows that majority of the policy holders they are agree and disagree with the some of the below statements. The highest mean value was recorded 4.73 and 4.85, this assigned value indicates that majority of the policy holders strongly agreed that difficulty in procedures followed while inception of the policy, lack of knowledge about online health insurance services portal and delaying in claim the settlement, these are the major issues and challenges faced by the policy holders. This was followed by lowest mean value was recorded 3.09 and 3.02, this assigned value indicates that majority of the policy holders strongly agreed that lack of assistance rendered by the officials in filling up the forms and difficulty to claim settlement within a shorter period, these are the issues and challenges faced by the policy holders to opted the health insurance policies respectively.

Tables No.2 Shows that issues and challenges faced by the policyholders

Sl.No	Statements	Mean	S.D	Variance
X1	Guidance of the advisor at the time of selecting the policy	3.44	1.463	2.142
X2	Procedures followed while inception of the policy	4.73	1.684	2.201
X3	Assistance rendered by the officials in filling up the forms	3.09	1.178	2.185
X4	Information provided in the brochure is clearly explained	4.11	1.340	1.795
X5	Clearness in terms and conditions of the policy is well defined	3.17	1.471	2.164
X6	Issue of policy document	3.82	1.265	1.600
X7	Issue of premium reminder notice	3.21	1.141	1.301
X8	Amount of bonus has been declared	3.18	1.456	2.121

X9	Processing time for loan	3.46	1.394	1.942
X10	Interest on available loan	3.87	1.179	1.391
X11	Availability of the schemes	3.55	1.527	2.333
X12	Unfavorable employees behavior	3.48	1.461	2.133
X13	Delaying in claim settlement	4.85	1.621	1.744
X14	Online services portal	3.81	1.276	1.628
X15	Grievance redressal System	4.42	1.425	1.512
X16	Lack of knowledge about new schemes	4.22	1.332	1.632
X17	Difficulty to claim settlement within a limited period	3.02	1.112	1.452

Source: Field Survey.

Table No.2 (a) according to the results of one way ANOVA F-Test, the below table results that, there is a significant relationship between issues and challenges faced by the policyholders in selected health insurance. Except the variables of assistance rendered by the officials in filling up the forms, Information provided in the brochure is clearly explained, amount of bonus has been declared and long processing time for loan. Remaining all the below mentions all independent variables results the P value (Sig 2-tailed) which is more than the alpha value of 0.05, it was found to be insignificant. Therefore the results indicate that the stated null hypothesis to be accepted and alternative hypothesis is rejected. Therefore there is strong relationship between issues and challenges faced by the policyholders in selected health insurance companies.

Table No.2(a) Results of One Way ANOVA F-Test

Statements		Sum of Squares	Mean Square	F	Sig.	Hypotheses
X1	Between Groups	30.553	30.553	14.659	0.000	<i>Rejected</i>
	Within Groups	1031.700	2.084			
	Total	1062.254				
X2	Between Groups	12.782	12.782	5.863	0.005	<i>Rejected</i>
	Within Groups	1079.089	2.180			
	Total	1091.871				
X3	Between Groups	4.794	4.794	2.199	0.539	<i>Accepted</i>
	Within Groups	1078.948	2.181			
	Total	1083.742				
X4	Between Groups	.957	.957	0.533	0.566	<i>Accepted</i>
	Within Groups	889.505	1.797			
	Total	890.463				
X5	Between Groups	16.164	16.164	7.570	0.000	<i>Rejected</i>
	Within Groups	1056.955	2.135			
	Total	1073.119				
X6	Between Groups	12.334	12.334	7.814	0.000	<i>Rejected</i>
	Within Groups	781.368	1.579			
	Total	793.702				
X7	Between Groups	5.822	5.822	4.506	0.004	<i>Rejected</i>
	Within Groups	639.570	1.292			
	Total	645.392				

X8	Between Groups	2.935	2.935	1.385	0.541	<i>Accepted</i>
	Within Groups	1048.836	2.119			
	Total	1051.771				
X9	Between Groups	7.467	7.467	3.867	0.652	<i>Accepted</i>
	Within Groups	955.853	1.931			
	Total	963.320				
X10	Between Groups	26.460	26.460	19.747	0.000	<i>Rejected</i>
	Within Groups	663.298	1.340			
	Total	689.759				
X11	Between Groups	1.403	1.403	0.601	0.003	<i>Rejected</i>
	Within Groups	1155.639	2.335			
	Total	1157.042				
X12	Between Groups	18.702	18.702	8.907	0.612	<i>Accepted</i>
	Within Groups	1039.326	2.100			
	Total	1058.028				
X13	Between Groups	0.750	0.750	0.429	0.713	<i>Rejected</i>
	Within Groups	864.321	1.746			
	Total	865.070				
X14	Between Groups	5.239	5.239	3.232	0.654	<i>Rejected</i>
	Within Groups	802.359	1.621			
	Total	807.598				
X15	Between Groups	6.214	4.112	2.221	0.000	<i>Rejected</i>
	Within Groups	501.000	1.002			
	Total	507.214				
X16	Between Groups	3.115	3.214	3.221	0.001	

	Within Groups	478.100	1.221			<i>Rejected</i>
	Total	481.215				
X17	Between Groups	2.551	4.552	3.587	0.000	<i>Rejected</i>
	Within Groups	555.001	1.564			
	Total	557.552				

Source: Field Survey

Recommendations of

the study:

- Policyholders are loyal only when the insurance company has a thorough understanding of their requirements. If the insurance company does not have enough information about policyholders, it is impossible to understand the policyholders' problems.
- The policyholders trust, since it has been existing in the market for a longer period than the private sector insurance companies. The "reliability" factor is a positive factor for the health insurance in India.
- The policyholders state that the LIC of India has not been able to provide quick service.

A long delay in making available the services to the policyholders. Therefore, the business continuity planning should be an integral part of services offered by the health insurance in India.

- Information about policies relating to premium rates, returns, claim settlement procedure, bonus, hidden cost, surrender values and switch over costs should be known by the policyholder.
- Insurance companies should focus more on personalizing interaction with customers on diverse channels and retain the customers, insurance companies should focus on effective customer grievance handling etc.

Conclusion:

Insurance sector, word of mouth plays a vital role, so keeping this aspect into consideration; insurance companies should focus on the service quality. The researcher suggest measures such as special events for policyholders, provisions of prompt service, improvement in infrastructure, improving reliability, creativity and innovativeness, understanding the customers, customer contact programmers, providing up dated information, staff involvement, user-friendly skills, customer compliant monitoring cell and quality improvement strategy will improve service quality of the LIC of India. If the study provokes the authority concerned to take some positive measures for improving it, the researcher will feel amply rewarded. Policyholders are seeking policies which are not just as a product but it should be an integrated financial solution that can offer stability of returns along with total protection. The awareness of insurance sectors found very poor among the public before the entry of private insurers. Private sector played important roles in making the awareness of insurance to the customers. The extremely satisfied customers of a life insurance company will act as a loyal apostle of that health insurance company.

REFERNCES:

- Abaidoo GG, “Customer Satisfaction Factors in Life Insurance Growth in Ghana (Published thesis)”, Walden University, Minnesota, (2015)
- Hussen S, “Service Quality, Customers Satisfaction and Loyalty: A Study on Insurance Companies in Adama, Ethiopia”, European Journal of Business and Management, Vol.7, No.4, (2015), pp.269-276
- Priti Kiran (2016), Indian Insurance Industry Outlook in the Post Reform Period, Management Researcher, Volume xv. No 1 July -September, pp34-45
- Badlani (2018),. Service Quality Perception and Customer Satisfaction in Life Insurance Companies in India” International Conference on Technology and Business Management.55-87.
- Preeti Singh(2020), Profitability and Efficiency in the U.S. Life Insurance Industry” Journal of Productivity Analysis, vol,21,pp 229–247.
- Kumaraswamy (2022), An Analysis of Life Insurance Demand Determinants for Selected Asian Economies and India " Working Paper, Madra School of Economics.87-92.