

## **CREATING AWARENESS ON HEALTH INSURANCE AMONG UNORGANISED SECTOR PEOPEL.**

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### **Abstract:-**

Health Insurance is a health supporting tool that satisfies the population especially unorganised sector people's health related needs and requirements in India and worldwide to alleviate the poverty. The research was accompanied to determine the various sources of awareness and awareness level of health insurance among unorganized sector people in Puducherry Union territory. Initially it studies who are aware and not aware about health insurance and various sources of awareness and finally it speaks about the difficulties regarding the subscription, premium, claims and other issues related to the health insurance. A descriptive study was conducted in Puducherry union territory and its district. Primary data was collected using questionnaire as well as interview schedule from uninsured members. The study was conducted in Puducherry union territory and 267 questionnaires were filled from uninsured unorganised sector people which were appropriately used for this study. The outcome of the study specifies that the degree of awareness and sources of awareness of the health insurance were less aware among the respondents. The awareness towards health among the uninsured unorganised sector pepole is developing as well as exposure regarding health insurance is emerging. The paper concludes that the awareness raising programme is an important effective tool in promoting health insurance among uninsured unorganized sector people and that interactive, contextualized awareness tools are useful in enhancing insurance understanding.

**Key Words:** Health Insurance, Unorganised sector pepole, Awareness, Uninsured.

**INTRODUCTION:-**

Poverty is the nation's most dangerous assassin of poor individuals and reason behind the sufferings on the earth. It is a critical impact at every part of human life and this is leading to reduction of life expectancy. In India, Poverty Alleviation was a national policy program for more than fifty years. During 1938's, the Indian National Congress organized a National Planning Committee directed by Pandit Jawaharlal Nehru, in which it was acknowledged regarding the society objective of the country to eradicate the poverty and to ensure an adequate standard of living for the masses, in other words to get rid of the appalling poverty of the people. Since, from Independence in all the five year plans, predominantly in the fifth five year plan- it gave significance in reduction of poverty and providing other basic amenities' to the poor sector.

In many of the countries preferably, Asia at an early stage providing funds for health expenditure was a great challenging role specifically, for unorganized sector people in India. Even though the establishment of India assured to offer health care facilities to the population, failure of the government had enforced the poor population to strive for alternate procedures of funding expensive and unreasonable health care like Health Insurance (HI). Insurance Regulatory and Development Authority of India (IRDAI) says "Health insurance business or health cover means effecting of contracts which provides sickness benefits whether in-patient or out-patient, on an indemnity, reimbursement, service, prepaid, hospital, or other plans basis, including assured benefits and long term care".

Health insurance is fastest developing as an essential tool to fund the health care requirements for the poor people. The insurance is a basic requirement, which plays an important role in pooling risk or uncertainties of unpredicted expenses of every individual's health, falling ill and need of hospitalization facilities by charging premium of the same. In the present scenario, the annual expenditure on health in India amounts to about 72% of residents of rural areas and 79% of residents in urban areas per person. The majority of the health policies are being provided by the private sector than public sector to attract the respondents. With attractive policies, improved technology, rapid spread of advertisements and many more there is greater awareness and growing demand for better health services. The foundation of health insurance by the private sector with the authority of Insurance Regulatory Development Authority (IRDA) Act 2000 has given ways to utilize the opportunities for industry as well as public for utilization of health care facilities that are available. On overall, there is not been much development in coverage of health insurance system among population in the country. It is estimated that about two-fifths of India's GDP originates from the informal sector and almost 90 per cent of families depend on this sector for their livelihood. Regardless of this statistic, primarily an enormous quantity of workers is involved in unorganized sector in urban and rural areas they are poor, uneducated, helpless and weak. Their environment such as work and stay are not hygienic and which leads to many infections and various chronic diseases. Unorganised sector workers family is pushed into debt to meet their daily expenses

due to their poverty and low income. In spite of that, many of their health expenditure are met out of their pocket expenses. The poor and other disadvantaged sections such as unorganized sector are mandatory to spend a higher proportion of their income on health care. Every so often they have to derive finance at higher interest rate to meet medical expenditure and other household requirements. This could push these families into an area of long-lasting poverty.

When the survey was done among uninsured unorganized sector respondents, the study was found out that most of them were unaware about health insurance. We set out to examine the sources of awareness and level of awareness among the unorganized sector people, understanding about health insurance at unorganized sector level can provide information for the upliftment of individual's life.

### **RESEARCH QUESTIONS:-**

1. What are the various source of awareness that is available for Health Insurance?
2. What is the level of awareness towards Health Insurance among Unorganized sector people?
3. What are the difficulties faced by unorganized sector people to purchase the Health Insurance policies?

### **OBJECTIVES OF THE STUDY:-**

- To determine the demographic attributes of unorganized sector people in Puducherry Union Territory.
- To assess the various sources of awareness tools related to health insurance.
- To evaluate the awareness level of health insurance among unorganized sector people.
- To analyze the difficulties faced to purchase health insurance amongst the uninsured people.

### **RESEARCH METHODOLOGY:-**

The study is descriptive in nature. The research was conducted in Puducherry Union Territory. The cluster sampling was done for selection of sample from respondents, on the whole 267 uninsured sample size of was selected from all the four districts of Puducherry Union Territory.

The research comprises of both primary data as well as secondary data. The primary data was collected with the help self-structured framed questionnaire from the uninsured respondents. At initially, a draft of the questionnaire was pretested on 30 uninsured respondents. This helped in recycling the questionnaire and also gave a suggestion as to kind of responses that would be forthcoming with few addition and deletion; finally interview schedule was established and used for collection of information from respondents. The data collected were entered into the computer database by using Statistical Package of Social Sciences was used for analyzing data and statistical tools were used such as descriptive statistics and factor analysis.

**DISCUSSIONS:-****DEMOGRAPHIC CHARACTERISTICS OF UNINSURED WORKERS:-**

The descriptive information of uninsured workers were used to examine different relationships among the demographic characteristics of uninsured workers such as (gender, marital status, age, education level, occupation level, annual income level, family member, family status and earning in the family).

**DEMOGRAPHIC CHARACTERISTICS OF UNINSURED WORKERS:-**

<b>DEMOGRAPHIC VARIABLE</b>	<b>GROUPS</b>	<b>FREQUENCY</b>	<b>PERCENTAGE (%)</b>
<b>GENDER</b>	Male	180	67.4
	Female	87	32.6
	Total	267	100.0
<b>MARITAL STATUS</b>	Single	43	16.1
	Married	209	78.3
	Widow/widower	15	5.6
	Total	267	100.0
<b>AGE GROUP</b>	Less than 25 years	35	13.1
	25 – 34 years	112	41.9
	35 – 44 years	78	29.2
	45 – 54 years	32	12.0
	55-64 years	9	3.4
	Above 65 years	1	0.4
	Total	267	100.0
<b>EDUCATIONAL QUALIFICATIONS</b>	Illiterate	98	36.7
	Primary	97	36.3
	Higher Secondary	45	16.9
	Graduation	14	4.9
	Diploma	13	14.3
	Total	267	100.0
<b>OCCUPATION</b>	Building and Construction Workers	69	25.8
	Agricultural Labourers	72	27.0

	Loaders and Unloaders	38	14.2
	Fishermen	45	16.9
	Auto Drivers	43	16.1
	Total	267	100.0
<b>FAMILY ANNUAL INCOME</b>	Less than Rs 50000	104	39.0
	Rs.50000-100000	78	29.2
	Rs.100000-150000	55	20.6
	Rs.150000-200000	17	6.4
	Above Rs. 200000	13	4.9
	Total	267	100.0
<b>FAMILY STATUS</b>	Below 3 members	66	24.7
	3-5 members	171	64.0
	Above 5 members	30	11.2
	Total	267	100
<b>FAMILY STATUS</b>	Nuclear family	87	32.6
	Joint family	180	67.4
	Total	267	100.0
<b>MEMBERS EARNING IN THE FAMILY</b>	Single member earning	148	55.4
	Double member earnings	90	33.7
	Triple member earnings	27	10.1
	Above Triple member earnings	2	0.7
	Total	267	100.0

Source: (Primary Data)

From the above table, out of total uninsured workers of the sample, male is 67.4% and female is 32.6%. The continuous variables were used to identify the ages of the respondents which were grouped into ten. The highest percentage of uninsured workers among education qualification was illiterate 36.7% and followed by primary education 36.3%. The highest percentage among the occupation was agriculture workers 27% and followed by building and construction workers, fisherman are 25.8%, 16.9% respectively. The highest percentage among the annual income level of unorganized sector is less than Rs.50,000 which is around 39%. Mostly unorganized sector people comprises of joint family which contains 67.4%.

**SOURCE OF LEVEL OF AWARENESS OF HEALTH INSURANCE:-**

There are various sources of awareness regarding health insurance are available in the current scenario and few such sources are available in the following table. The awareness of health insurance is helping the unorganized sector to purchase the policy and subscribe it which will help in overcoming the health expenditures.

<i>SOURCES OF INFORMATION</i>	<i>AWARENESS OF INFORMATION (%)</i>
Advertisements	24
Through friends & relatives	10
Agents	5
Development officers	2
Radio or transistor	7
Television	20
Newspapers	12
Magazines	3
Internet	4
Bazaar or local people	2
Banners/hoardings	6
Panchayat	2
Others	3

Source: (Primary data)

From the above table, out of many sources of information, advertisements (24%) and television (20%) are been utilized more which plays a major role in providing awareness programme. Further the awareness through newspapers is 12% and followed by friends and relatives, radio or transistor and many others.

**LEVEL OF AWARENESS OF HEALTH INSURANCE:**

<i>LEVEL OF AWARENESS</i>	<i>FREQUENCY</i>	<i>PERCENTAGE</i>
Not Aware or not exposed to any Health Insurance awareness.	198	74.2
Aware or exposed and subscribed to any Health Insurance products.	29	10.8

Aware or exposed and unsubscribed subscribed to any Health Insurance products.	40	15.0
<b>Total</b>	<b>267</b>	<b>100</b>

Source: (Primary data)

- The above table shows that, about 74.2% of uninsured respondents are not aware or not exposed to any health insurance policies. Around 10.8% only uninsured were aware and exposed and even subscribed to health insurance. About 15.0% of uninsured Aware or exposed and unsubscribed subscribed to any Health Insurance products.

#### **BENEFITS OF HEALTH INSURANCE:-**

<i><b>BENEFITS</b></i>	<i><b>PERCENTAGE</b></i>
Children health	25.7
Health savings	23.2
Protection to life	21.5
Protection from family	19.3
Family security	15.3
Tax benefits	15.2
Risk coverage	12.7
Usefulness in emergency	12.7
Protection against critical illness	12.1
Only OPD	9.6
Only hospitalization	8.3
Cashless facility	8.2

Source: (Primary data)

The above table speaks about the various benefits that are available from health insurance policies. In which, child health has highest rate of percentage(25.7) and next followed by health savings benefit around 23.2% next, protection of life which has 21.5% and followed by many other benefits such as family security, tax benefits, risk coverage, cashless facility, etc.

#### **DIFFICULTIES DURING THE PURCHASE OF HEALTH INSURANCE:-**

Factor analysis was used in this study to identify the major difficulties faced to purchase of health insurance products and to eliminate unnecessary questionnaire items. The 16- items used to identify the difficulties to purchase health insurance were subjected to the

factor analysis of procedures for the total sample of 267 uninsured workers. The result of factor analysis over 16-item shown that there are 6 factors, which were determined by clubbing the similar variable and consider being most important. The table shows the respective percentage of variance of all the factors derived from factor analysis, difficulties having impact on the purchase of health insurance.

<b>VARIABLES</b>	<b>MEAN</b>	<b>STD. DEVIATION</b>	<b>FACTOR LOADING</b>	<b>EIGEN VALUE</b>	<b>% OF VARIANCE</b>
<b><i>F: 1 LACK OF AWARENESS</i></b>					
No one suggested about it	3.45	1.019	.854	2.354	15.589
Not taken by friends, relatives etc	3.81	1.053	.745		
Unaware about it	3.55	1.024	.633		
<b><i>F:2 LACK OF WILLINGNESS</i></b>					
Prefer to invest money in some other areas	3.75	1.017	.831	2.252	12.926
Don't feel the need for it	3.53	1.215	.615		
<b><i>F:3 ROLE OF AGENT</i></b>					
Inadequacy of knowledge on the part of insurance agents it	3.95	.970	.826	1.710	11.686
Behavior of insurance agents is not satisfactory	2.63	1.087	.672		
Difficulty to approach insurance agents	3.77	.868	.691		
<b><i>F:4 LACK OF FLEXIBILITY</i></b>					
Lack of reliability and flexibility	3.60	1.068	.778	1.580	10.775
Low salary/non availability of funds	3.42	1.167	.762		
Health insurance does not cover all of my health problems	3.63	1.066	.601		



<b>F:5 LACK OF RELIABILITY</b>					
More hidden cost involved which increases the cost of insurance	3.79	1.002	.745	1.173	8.332
Too much paper-work is involved	3.83	.923	.668		
Saving in some other areas to meet health care needs	3.19	1.024	.566		
<b>F:6 LACK OF ACCESSIBILITY</b>					
Linked hospitals are not easily accessible	3.52	.932	.694	1.089	7.808
Difficulty in availing services in hospitals	3.66	1.005	.563		

Source: (Primary data)

The above table tells about the six factors that are related to the difficulties in purchasing the health insurance such as Lack of Awareness, Lack of Willingness, Role of Agent, Lack of Flexibility, Lack of Reliability and Lack of Accessibility for unorganized sector workers. Lack of awareness suggested highest variance of 15.589% and followed by lack willingness which contains 12.926% and followed by 11.686, 10.775, 8.332 & 7.808.

### **FINDINGS:-**

The objective of the study was to find out the source of awareness and the level of awareness regarding the health insurance among uninsured unorganized workers. The various sources of awareness tools are available in which the uninsured unorganized sector people are mostly aware with the help of televisions, newspapers and among their friends and relatives. The results were identified around 74.2% among uninsured unorganized sector people. The findings of the study show that unorganized sector people in Puducherry union territory are mostly unaware about the health insurance policies or products.

The last objective was to identify the factors that are related to difficulties in purchase of health insurance for unorganized sector. It was identified that there was 16 difficulties in purchase of health insurance. With the help of factors analysis, it was combined into 6 factors.

### **CONCLUSION:-**

Even though, the health insurance is a not a recent or new terminology, in fact people are not aware about health insurance still. We have many sources of awareness, primarily television, newspapers, advertisements, agents and many others. But the awareness regarding health insurance has not reached the unorganized sector people. The various health insurance

companies such as public, private and others should come up with new innovative policies and ideas to reach the public. Than spending the huge amount for medical and health expenses the unorganized sector people are ready to pay a reasonable amount of premium on annual basis. The respondents are ready to subscribe the health insurance policies under the government health insurance companies than the private sector health insurance companies due to various factors such as trust, low premium, range of policies, benefits, guaranteed amount, etc. The various innovative and attractive health insurance schemes has to be developed, with the help of understanding the publics' perception and ideas, which can be easily access, affordable at low price to all the sectors of the society can be developed. The suggestion rendered by many of the respondents was that the government has to come out with a reasonable health insurance policy and policy has to be made compulsorily to all the citizen of the country, especially for unorganized sector people. This will ensure unnecessary out-of-pocket expenses and will also lead to better utilization of healthcare services by each individual in the society.

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