

## **A Study of Mindset of Middle Income Group Beneficiaries Towards Health Insurance Packages**

**Aditi Mundra\*, Saumya\*, Jyoti Anand\*, Ms Sadaf Fatima\*\***

\*Department of Commerce, Patna Women's College, Patna University

\*\*Lecturer, Department of Commerce, Patna Women's College, Patna University

---

*The mindset of the middle income group audience today with regard to health insurance packages has become extremely awareness oriented and their level of perception is quite positive, as compared to the past. This is so because, in today's era the cost of medical treatment being enormously high, every prospective beneficiary wishes to be properly covered through insurance.*

**Key words:** Middle Income Group, Mindset, Perception, Awareness, Penetration Level and Future.

---

**Introduction :** The business of insurance in the field of trade, commerce and industry; enjoys an important position today. The significance of insurance business has been growing over decades and the major role which insurance plays today concerns indemnifying against losses, which could be of different types concerning the element of probability and possibility.

Within the insurance domain, we have the area of Life Insurance and General Insurance, and within General Insurance a specific segment related to Health Insurance Scheme has come up, with several agencies today providing Health Insurance benefits. The primary objective of Health Insurance policies and cover is to indemnify Health Insurance beneficiaries against Medical Expenses incurred either in the form of a domiciliary individual or by way of hospitalization. This concept has become globally accepted and what came up as an idea related to accessing the mindset of the middle income group beneficiaries towards Health Insurance and, this research study is an attempt in this direction.

### **Hypothesis of the Research :**

Health Insurance is expected to play a vital role in ensuring Health-care access to people in India. The level of penetration of Health Insurance in India has experienced a steady rise and every year the number of beneficiaries towards the Health Insurance program has been rising. However, it is clear that there is still a long way to go from single digit access figures to meeting global penetration level.

Our research has been based upon the hypothesis that by and large the middle income group bracket of the present day society is although aware of the Health Insurance packages policies, yet there actual mindset needs to be assessed with regards to the frequency of conversion from a prospect to actual beneficiary.

### **Objectives:**

In our project work, we have mainly focused on Health Insurance Policies as an insurance project, centered on accomplishing the following objectives:

- To have a through understanding of Health Insurance.
- To understand the mechanism of Health Insurance policies, products and packages.
- To study and analyze the mindset of perception of middle income group towards Health Insurance products.
- To find out whether the Health Insurance provides proper coverage to the middle income group.
- To identify the level of penetration of Health Insurance products in "Patna".
- To know whether, the middle income group beneficiaries are satisfied with the Health Insurance policies.
- To find out the market share of different insurance companies with reference to Health Insurance.

**Methodology Adopted :**

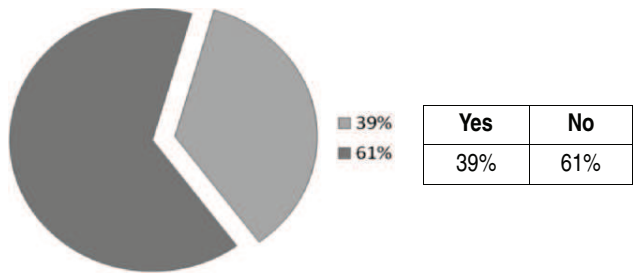
Any project must follow a methodical line of action in terms of a disciplined methodology. There are two tier techniques of collecting data's which are:

- (a) Primary Data Source : It was gathered on the basis of;
  - Personal interview with middle income group persons.
  - Questionnaires seeking information from existing and potential customers
  - Stratified random sampling was done. Stratification was based on the basis of specific strata of the society in terms of their views regarding Health Insurance.
- (b) Secondary Date Source: Some information was gathered through different newspapers, books, magazines, internet sites. Different companies' brochures and pamphlets were also taken into consideration.

**Major findings of the Resesrch :**

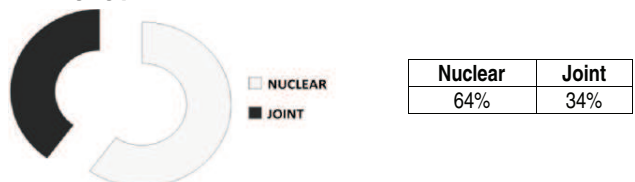
The research has revealed several interesting observation. While a significant portion of consumer are aware of Health Insurance and its importance but there are several perceptions, both negative and positive that have a strong influence on their buying decisions.

**Holders of Health Insurance :**



Health Insurance is a segment, which is grossly untapped. Only 39% of the total respondents are having Health Insurance coverage. Our findings are based on this 39% respondent.

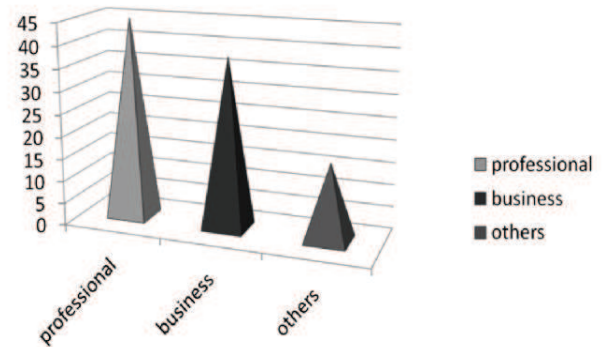
**Family type :**



During our research, we found that 64% of the respondents, who have opted for Health Insurance, belonged to nuclear family.

**Occupation :**

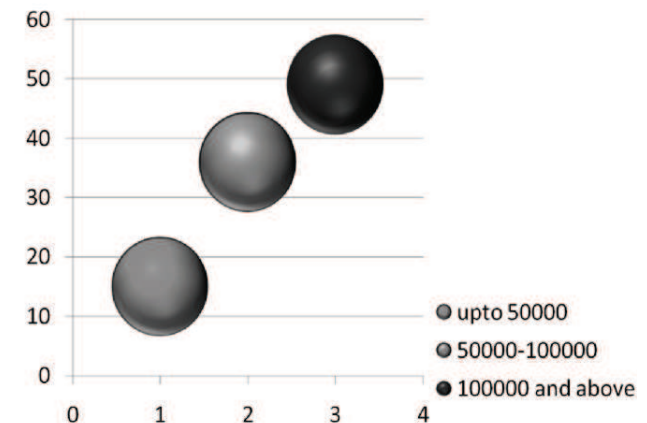
Professional	Business	Others
45%	38%	17%



It revealed that on the occupation front, mainly professionals were having Health Insurance as 45% of the respondents were professionals.

**Income Group :**

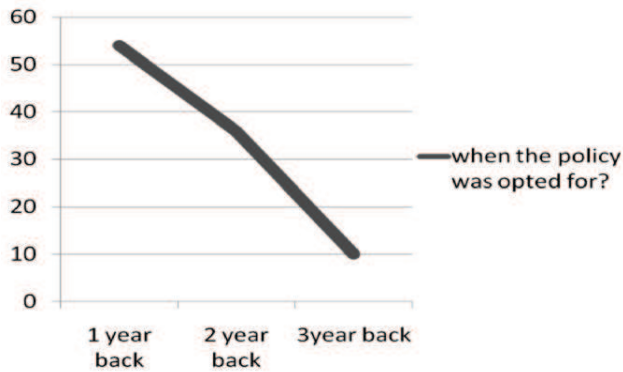
Upto 50,000	50,000 – 1,00,000	1,00,000 and above
15%	36%	49%



As per our research, 49% of the respondents having Health Insurance were under the income group of Rs. 1,00,000 and above. This depicts that mostly the higher income group was interested in Health Insurance.

**Tenure of Policy taken :**

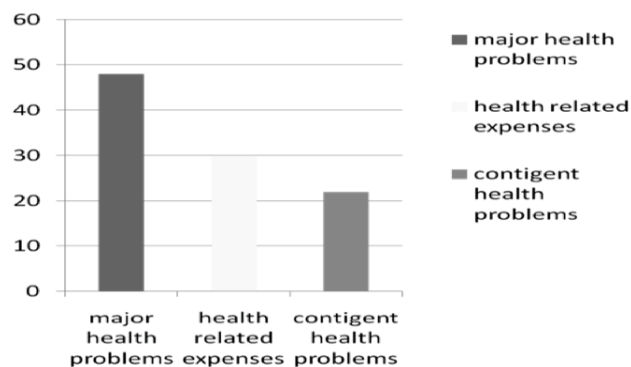
1 Year Back	2 Years Back	3 Years Back
54%	36%	10%



Another finding was that there was gradual increase in the percentage of persons going for Health Insurance, as depicted in the above line diagram.

### Health Insurance Coverage for ?

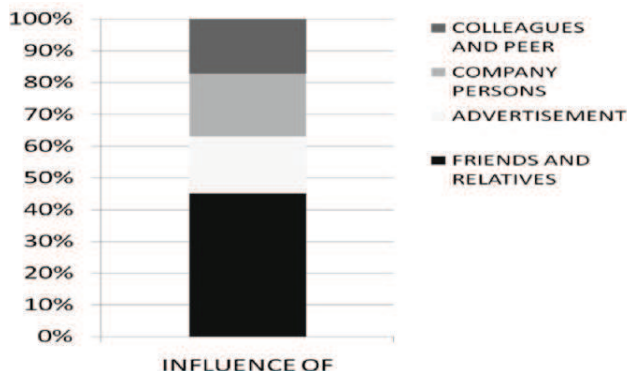
Major health problem	Health related expense	Contingent Health Problem
48%	30%	22%



The bar diagram shown above states that about 48% of the respondents opted for Health Insurance for covering major health problems.

### Influenced to take Insurance :

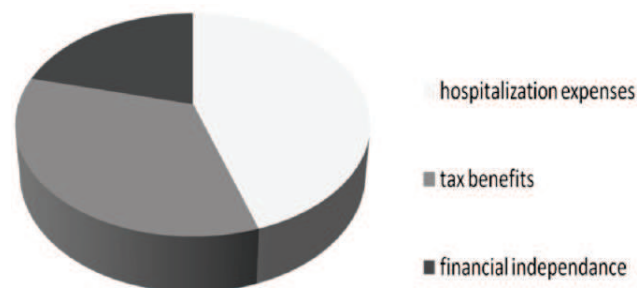
Colleague and Peer	Company Persons	Advertisement	Friends and Relative
45%	18%	20%	17%



We found that about 45%, major portion of the respondents were influenced by colleagues and peer and others by company persons, advertisements and friends.

### Benefits :

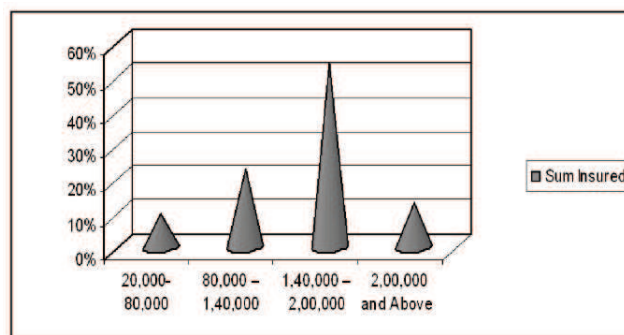
Hospitalization Expenses	Tax Benefits	Financial Independence
45%	34%	21%



During the research, we came across the fact that nearly 45% of the respondents i.e. the maximum, derived benefits in the form of hospitalization expenses and other benefits derived were tax benefits and financial independence.

### Sum Insured :

20,000-80,000	80,000 – 1,40,000	1,40,000 – 2,00,000	2,00,000 and Above
10%	23%	54%	13%



Maximum number of respondents, as shown in the figure above, insured for an amount between Rs. 1,40,000 to Rs. 2,00,000.

### Impression /Conclusion :

The impression drawn from this research study specifies and highlights that only 39% of respondents had Health Insurance coverage whereas the rest 61% of the respondents group either didn't possess it or were not interested in terms of coverage.

This is a major finding which forms the basis of the entire impression write up. 49% of such respondents belonging to the income category of Rs. 1,00,000 and above along with a figure with 45% of the respondents belonging to the professional occupants, deliver an idea that much needs to be done on the basis of continuous probing as far as intending a favorable mindset condition to beneficiary groups are concerned.

Our impression also rotates around a situation in which we have 54% of the respondents having being insured over the last 1 year with a co relational backup of 48% of respondents covering themselves against major health related problems. Yet another impression gives us an idea that the majority of the respondents revolving around 45% of the data base were influenced mainly by colleagues and peer and basically took an insurance

cover to indemnify themselves against possible and probable hospitalization expenses.

The entire research study therefore plays a vital role in creating a level of awareness with regard to the mindset of the Middle Income Group Social Strata in terms of their inclination towards Health Insurance schemes and products. This research has been an eye opener and could be utilized for advancement covering Health Insurance related studies.

**References:**

1. Ahuja Rajeev. (2005). "Health Insurance in India"- an analytical study
2. Ahuja Rajeev and Alka Narang. (2005). Emerging trends in Health Insurance for low income groups.