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**AN ANALYTICAL STUDY OF HEALTH INSURANCE SECTOR OF
WESTERN VIDARBHA REGION
(2009-10 to 2014-15)**

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ABSTRACT

In the present research paper data was collected from total 200 the insurance agents working in health insurance sector of Western Vidarbha Region. The data obtained from the respondents was analyzed and arranged in appropriate Tables the tables were described and figures were drawn on the basis of information present in the Tables. The results of analysis were presented at the end of description of each Table.

KEYWORDS: *health insurance sector , results of analysis.*

INTRODUCTION:

The western region of Vidarbha (state of Maharashtra) well known for educational and social improvement equaling the levels of developed countries is facing the problem of increased life style diseases. Further, people have started considering medical check-up and defensive health care as means to have better health management. Therefore, health insurance is expected to have a huge potential to grow.

Therefore this study aims at understanding the determinants of health insurance sectors in Western Vidarbha Region state of Maharashtra. The major role of insurance agents in the development of the business environment and consumer purchase decision models are reviewed and identifying some gaps, a model incorporating three sets of variables, related to personal, marketing and social factors is developed. Based on data collected from a sample of agents and potential consumers, the proposed model is evaluated. Health is a human right. It's accessibility and affordability has to be ensured. The escalating cost of medical treatment is beyond the reach of common man. While well to do segment of the population both in Rural and Urban areas have accessibility and affordability towards medical care, the same cannot be said about the people who belong to the poor segment of the society. Despite a multitude of legislations having been enacted for the health sector, the providers of healthcare in India continue to be poorly regulated, with no checks on pricing and often no checks on service quality. It is often felt that poverty and insurance do not go together; and insurance is totally beyond the affordability of the poor. In a developing country like India, this statement would hold good - to a certain extent. However, measures should be taken to ensure that it is not wished away as just that; and to bring as many underprivileged people as possible under the ambit of insurance.

Insurance as an industry has secured a vital position in the development of the nation's economy. An efficient insurance market is essential to achieve integration into the global economy and sustainable strong economic growth. In conjunction with the forces of global consolidation, current advances in information technology and the potential of e-business mark the beginning of a veritable efficiency revolution in the insurance industry. One of insurance's key roles is safeguarding the financial health of small and medium-sized enterprises. In addition to the protection provided by social security systems, insurance cover is crucial for people to insure themselves against inability to work, set aside money for retirement or protect themselves against the loss of their assets.

Insurance reduces the investment risk faced by companies and the state. Many companies find it far more expensive, if not impossible, to take out a loan without purchasing the requisite insurance protection. Insured, thereby reduces the costs of raising the capital they need. By reducing investment risk, insurance can also encourage companies to think more long term and increase their risk tolerance.

Table 1: Information regarding type of health insurance provided by agencies where agents work

Type of insurance	Frequency	Percent
Individual	54	27.0
Group Health Insurance	26	13.0
Family Floater Health Insurance	164	82.0
Hospitalization Plans	200	100
Hospital Daily Cash Benefit Plans	128	64
Critical Illness Plans	56	28
Pre-Existing Disease Cover Plans	67	33.5
Senior Citizen Health Insurance	200	100
Maternity Health Insurance	192	96
Pro active plans	72	36
Personal Accident	200	100
Disease specific special plans	89	44.5

There are various plans available in health insurance sector, which may subscribed by users according to their requirement and condition. These plans include Hospitalization Plans, Hospital Daily Cash Benefit Plans, Critical Illness Plans, Family Floater Health Insurance, Pre-Existing Disease Cover Plans, Senior Citizen Health Insurance, Maternity Health Insurance, Proactive plans, Personal Accident and Disease specific special plans. **Table 1** illustrates information pertaining to the type of health insurance plans provided by agencies in which agents worked.

It is evident from the information that agencies where 100% agents worked, provided hospitalization plan, senior citizen health insurance plan and personal accident plan, whereas agencies where 96% agents worked provided maternity health insurance. Furthermore, plans such as family floater health insurance and hospital daily cash benefit plans were provided by 82% and 64% agencies respectively. In addition to this plans like disease specific special plans, proactive plans, pre-existing disease cover plans, critical illness plans, individual plans and group health insurance plans were provided by agencies where 44.5%, 36%, 33.5%, 28%, 27.0% and 13.0% agents worked

Table 2: Responses of health insurance agents regarding benefits of health insurance

Benefits of health insurance	Frequency	Percent
Avail Good Quality Medical Treatment	123	61.5
Risk Coverage Against Future Illness, Old Age Etc.	101	50.5
Others	4	2.0

Health is a human right. It's accessibility and affordability has to be ensured. The escalating cost of medical treatment is beyond the reach of common man. While well to do segment of the population both in Rural and Urban areas have accessibility and affordability towards medical care, the same cannot be said about the people who belong to the poor segment of the society.

Health care has always been a problem area for India, a nation with a large population and larger percentage of this population living in urban slums and in rural area, below the poverty line. The government and people have started exploring various health financing options to manage problem arising out of increasing cost of care and changing epidemiological pattern of diseases.

The control of government expenditure to manage fiscal deficits in early 1990s has led to severe resource constraints in the health sector. Under this situation, one of the ways for the government to reduce under funding and augment the resources in the health sector was to encourage the development of health insurance.

In the light of escalating health care costs, coupled with demand for health care services, lack of easy access of people from low income group to quality health care, health insurance is emerging as an alternative mechanism for financing health care. Above **Table 2** shows responses of health insurance agents regarding benefits of health insurance.

The responses illustrate multiple advantages of health insurance. According to 61.5% agents health insurance enable insured a good quality medical treatment, whereas 50.5% agents reported that health insurance provides risk coverage against future illness, old age Etc. In addition to this 4% agents reported other advantages of health insurance plans.

Table 3: Information regarding problems faced by health insurance agents

Problem Faced by Agents	Frequency	Percent
Unawareness of customers regarding health insurance	156	78.0
More efforts are required to convince customers about plan	33	16.5
Health care reforms	40	20.0
Burden of maintaining balance between sales and relationship	16	8.0
Lack of demand	57	28.5
Diverse communication and marketing channel	3	1.5

Above **Table 3** illustrates information pertaining to the problem faced by agents in health insurance sector. It is evident from the information that 78% agents faced problem of unawareness of customers regarding health insurance, whereas 28.5% agents faced problem of lack of demand of health insurance in addition to this problems such as health care reforms, requirement of more efforts in convincing customers about plan, burden of maintaining balance between sales and relationship as well as diverse communication and marketing channel was faced by 20%, 16.5%, 8% and 1.5% agents.

Table 4: Responses of health insurance agents regarding extent of scope for growth of health insurance market in region

Extent of Scope for growth	Frequency	Percent
To very high extent	102	51.0
High Extent	89	44.5
Moderate extent	9	4.5
Low Extent	-	-
Very low extent	-	-
Total	200	100.0

Above **Table 4** demonstrates responses of health insurance agents regarding extent of scope for growth of health insurance market in region. It is evident from the data that according to 51% agents there is very high extent of scope for the growth of health insurance in the region, whereas 44.5% agents reported

that there is high extent of scope for the growth of health insurance sector in the region. In addition to this 4.5% agents reported that there is moderate extent of scope for the growth of health insurance market in the region.

CONCLUSION

It is apparent from the information that plans such as hospitalization plan, senior citizen health insurance plan and personal accident plans are provided by all health insurance agencies whereas significantly high percentage of companies provides family floater insurance plan and maternity health insurance plans. It is evident from the responses that the major advantages of health insurance is it enable insured a good quality medical treatment and provides risk coverage against future illness, old age Etc.

It is apparent from the information that majority of agents working in health insurance sector faced problem of unawareness of customers regarding health insurance.

It is apparent from the information that majority of agents felt that there is very high extent of scope for the growth of health insurance in the region.

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