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IMPACT OF SOCIO-ECONOMIC FACTORS ON PURCHASE DECISION OF HEALTH INSURANCE-A STUDY WITH REFERENCE TO HYDERABAD CITY, TELANGANA

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Abstract

In terms of employment and revenue, the Indian health care industry is the largest. For the fiscal year 2020, the Indian government will devote 1.2% of GDP to the health care sector. There are different new plans are presented by the money serve in the spending plan 2018. The insurance density is determined by the premium to GDP ratio. In the current Covid 19 pandemic scenario, health insurance is essential. The market for health insurance in India is very small, only covering about 10% of the population. There is no out-of-pocket expense associated with health insurance, which is typically provided by employers through mutual contributions. In any case, India personal consumption is most noteworthy contrast and China, Russia and South Africa. Age is one of the most important factors that affect the premium amount, as are past medical and history, occupation, policy duration, body mass index, geographical habits, the type of plan and the type of choose, and other factors. Organizations are in open area endeavors and furthermore confidential areaclinical cases are accessible in India. IRDA is an administrative group of health care coverage in India. There is on protection area individuals are spending the sum at their own personal expense towards protection. India has one of the greatest personal medical services consumptions among the BRICS part countries which are Brazil, Russia, China and South Africa. Hence it expected to grasp the different elements which are affecting the health care coverage choice. The purpose of this study is to assess the connection between purchasing health insurance and socioeconomic factors.

INTRODUCTION

Life of an individual and family is by and large quiet except if and sort of medical problems emerges which is hesitant and can't private and the rest is public, in confidential protection. Needs like the desire to own a house or car can either be anticipated before they occur. In India, health insurance costs about 6% of GDP, with 4.7% going to individuals and families. In addition to stated insurance, a family may include plans for retirement and the education or marriage of children. The general insurance corporation (GLC) and its four subsidiary companies—the National Insurance Corporation, the New India Assurance Company, the Oriental Insurance Company, and the united insurance corporation (LIC) of India—offer voluntary insurance to the public sector.

STATEMENT OF THE PROBLEM

There are different new plans are presented by the money serve in the financial plan 2018. The insurance density is determined by the premium to GDP ratio. The current COVID 19 pandemic demonstrates how much people enjoy having health insurance. There is a critical interest and tremendous potential for the development of health care coverage industry in India There are different insurance agency are in open area endeavors and furthermore confidential area Medi claims are accessible in India. IRDA is an administrative group of health care coverage in India. Taking health insurance may be influenced by a variety of factors. This research aims to measure the relationship between socioeconomic factors and the purchase of health insurance. As a result, it is necessary to comprehend the various factors that influence the choice of health insurance.

OBJECTIVES

1. To find the relation between the social economic factors and health insurance
2. To understand consumer behavior with respect to health insurance

RESEARCH METHODOLOGY

The examination is unmistakable in nature with the assistance of the construction poll. The convenience sample method is used to select respondents for this study, who are customers who are nearby and available at the time of the research. The complete answers test is 93 however 3 polls are not considered as which are not as expected filled and are barred from the review. Therefore, the study's 90 participants' total responses are taken into account.

Tools for Data Collection Poll is fundamental apparatus for the essential information assortment it is separated into two sections. The first section of the questions asked about the socioeconomic factors (age, gender, income, education, marital status, sum assured, occupation, and type of insurance) that influence choosing a health insurance company. The personal factors that influence health insurance, such as average tax benefits, financial security, lifestyle, and risk cover, are covered in the second section of the questionnaire.

TOOLS FOR ANALYSIS

The data analysis using MS Excel, the statistical tool for use the study is simple percentages.

LIMITATION OF THE STUDY

The study was respected to Hyderabad city only and with a sample size of 90 respondents.

RESULTS AND DISCUSSION

DEMOGRAPHIC PROFILE OF THE RESPONDENTS

The investigation discovered that 47.9 rates of the respondents have a place with male class respondents. Furthermore, 52.1 level of the respondents has a place with females are respondents in orientation bunch. 90.1 percent of respondents fell into the age category, 7 percent were between the ages of 30 and 40, and 2 percent belonged to the private health insurance company group no. of category, in which the company's health ranged from 41 to 50. According to the findings of the study, 21.1 percent of respondents fall into the married category, while 78.9 percent of respondents fall into the singles category. The investigation discovered that 7 level of the respondents has a place with school training and 46.5 rate are respondents are having a place with degree, 32.4 level of the respondents has a place with post-graduation classification, 14.1 level of the respondents are having a place with other class in schooling capability. In the event of business 45.1 level of the respondents are the independently employed, 7 level of the respondents has a place with proficient, 26.8 level of the respondents in confidential representatives, 2.8 level of the respondents in taxpayer supported organization bunch

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classification. The investigation discovered that 74.6 level of the respondents in the gathering not as much as Rs 5,00,000 class, 7 level of the respondents are in bunch Rs 5,00,00-750,000, 7 level of the respondents are in bunch Rs 750,000-10,00,000, 11.3 level of the respondent's gathering of over 10,00,000 class, in the respondents of yearly pay.

PURCHASE DECISION OF HEALTH INSURANCE

1. ANNUAL EXPENDITURE ON FAMILY HEALTH COVER IN LAST YEAR

The family budgets of individuals reflect their standard of living. A family financial plan is a statement which shows family pay is spent on different things of consumption on necessaries, solaces, extravagances, and other social needs. It depicts the family's income distribution across the table's various spending categories.

Table No-1
Annual expenditure on family health cover in the last year

S NO	What was your annual expenditure your family health cover in the l year	No of Respondent	Percentag
1	Less than 50,000	49	69
2	50,000-1,00,000	17	24
3	1,00,001-2,00,000	3	4
4	Above 2,00,000	2	3
	Total	71	100

The above table shows that the yearly consumption on family wellbeing cover somewhat recently. Around 69 percentage of the respondents Under 50,000, 24 percentage of the respondents. in the middle of between 50,000-1,00,00, 4 percentage of the respondents in the middle between 1,00,001-2,00,000, 3 rates of the respondents over 2,00,000.

2. HEALTH INSURANCE PREMIUM DO YOU PAY ANNUALLY

A health insurance premium is on upfront payment made on behalf of keep their health insurance policy active. Premiums are typically paid monthly when purchased on the individual market, although their employers usually pay their portion of the premium through pay roll deductions. In addition to the premium, consumers may have to pay out-of-pocket, cost-deductibles, co-pays, and coinsurance when they seek medical care.

Table No-2
Health insurance premium annually

S NO	How much health insurance premium do you annually	No of Respondent	Percentage
1	Less than 10,000	56	78.9
2	10,000-15,000	10	14.1

3	15,000-20,000	0	0
4	Above 20,000	5	7
	Total	71	100

The above table shows that 78.9 percentages of the respondents are in Less than 10,000 and 14.1 percentage of the respondents are in between 10,000-15,000. 15,000-20,000.

3. SUM ASSURED ON THE HEALTH INSURANCE POLICY

It means that any remuneration received for the loss or damage suffered, the policy will only cover the loss because of damage generate, the amount agree on the sum ensure will be maximum amount receive in case of medical surgery or hospital care are as follows

Table No-3

Sum assured on the health insurance policy

S NO	What is sum assured on the heal insurance policy	No of Respondents	Percentage
1	Less than 2,00,000	53	74.6
2	2,00,000-3,00,000	9	12.7
3	3,00,000-5,00,000	3	4.2
4	Above 5,00,000	6	8.5
	Total	71	100

The above table shows that what is sum assured on the health insurance policy that 74.6 percentage of the respondents are in the group of Less than 2,00,000 12.7 percentage of the respondents are in the group 2,00,000-3,00,000, 4.2 percentage of the respondents are in group of 3,00,000-4,00,000, 8.5 percentages of the respondents are in the group of above 5,00,000.

4. REASON FOR CHOOSING A HEALTH INSURANCE POLICY

Buying insurance is principal as it ensures that you are financially locked to face any type of problem in life. And this is the way insurance is a very important part of financial planning. A general insurance company polices to secure health, travel, motor vehicle, and home. The following table describes the reason for choosing a health insurance policy background.

Table No-4

Reasons for choosing a health insurance policy

S NO	What are the reasons for choosing health insurance policy	No of Respondents	Percentage
1	Tax Benefits	5	7
2	Health cost	22	31

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3	Compulsory	2	2.8
4	Security	37	52.2
5	Fear of Risk	5	7
	Total	71	100

The above table shows the reasons for choosing a health insurance policy that 7 percentage of the respondents are in the Tax Benefits group, 31 percentages of the respondents are in the Health cost group, 2.8 percentages of the respondents are in the Compulsory group, 52.2 percentage of the respondents are in the Security group 7 percentage of the respondents are in the fear of risk group.

5. WHOM DOSE YOU HEALTH INSURANCE COVER

Health insurance covers the cost of medical and surgical procedure by the insured. The ensured either has the expenses out-of-pocket by the insurer or the insurance company settles the bill directly with the hospital. The following table describes the health insurance cover data

Table No-5

Whom dose health insurance cover

S NO	Whom dose you health insurance cov	No of Respondents	Percentage
1	Family	60	84.5
2	Self	11	15.5
	Total	71	100

The above table shows that whom does health insurance cover, 84.5 percentage of the respondents are in the family group, 15.5 percentage of the respondents are the self-group.

6. TYPE OF INSURANCE DO YOU HOLD

Table No-6

Type of insurance do you hold

S NO	What type of insurance do you ho	No of Respondents	Percentage
1	Group	16	22.5
2	Individual	20	28.2
3	Family Floater	35	49.3
	Total	71	100

The above table shows that type of insurance hold that 22.5 percentage of the respondents are in group, 22.2 percentage of the respondents are in individual group, 49.3 percentage of the respondents are in the Family Floater group.

7. COMPANY’S HEALTH INSURANCE HAVE YOU PURCHASED

Table No-7

Company’s health insurance have you purchased

S NO	Which company’s health insurance have yo	No of	Percentage

	purchased	Responden	
1	Public General Insurance company	43	60.6
2	Private Health insurance company	28	39.4
	Total	71	100

The above table shows that which company's health insurance purchased are, 60.6 percentage of the respondents are public General Insurance Company group, 39.4 percentage of the respondents are Private Health Insurance Company group.

8. CHOOSE OF THE COMPANY

Table No-8

choose the company

S N(	What you choose the company	No of Respondents	Percentage
1	Easy claims settlements	19	26.8
2	Lower premium	7	9.9
3	Brand name	8	11.3
4	Near to network hospital	8	11.3
5	Broader coverage	2	2.6
6	Employer option	8	11.3
7	Trust	19	26.8
	Total	71	100

The above table shows that 26.8 percentage of the respondents are Easy claims settlements group, 9.9 percentage of the respondents are Lower premium group, 11.3 percentage of the respondents are Brand name group, 11.3 percentage of the respondents are Near to network hospital group, 2.6 percentage of the respondents are Broader coverage group, 11.3 percentage of the respondents are Employer option group, 26.8 percentage of the respondents are Trust group.

9.HEALTH INSURANCE POLICY SOLD

Health insurance plans offer defend against high medical costs. It covers hospitalization expenses, day care procedures, normal expenses, and ambulance charges, besides may others may therefore focus on speedy healing instead of worry about such high costs. The following table described the who sold health insurance policy to respondent's background.

Table No-9

Health insurance policy

S N(	Who has health insurance policy	Respondents	Percentage
1	Agent	31	43.7
2	Tax consultant	5	7
3	Company Directly	4	5.6
4	Online	17	23.9
5	Others	14	19.7
	Total	71	100

The above table shows that 43.7 percentage of the respondents are Agents group, 7 percentages of the respondents are Tax consultant group, 5.6 percentages of the respondents are Company Directly group, 23.9 percentage of the respondents are Online group, 19.7 percentages of the respondents are belonging to others group.

10. SATISFACTION WITH THE SERVICE OF THE HEALTH INSURANCE OF THE COMPANY

Patients' satisfaction is measured in many ways, but the hospital consumer assessment of healthcare providers and systems scores are the most influential, as they make up 30% of the overall performance score for value-based purchasing. The following table describes the satisfaction with the service of the health insurance company.

Table No-10

Satisfaction with the service of Health Insurance Company

S NO	Are you satisfied with the service health insurance	No of Respondents	Percentage
1	Excellent	8	11.3
2	Good	57	80.3
3	Fair	2	2.8
4	Poor	2	2.8
5	Very poor	2	2.8
	Total	71	100

The above table shows that 11.3 percentage of the respondents are Excellent group, 80.3 percentage of the respondents are good group, 2.8 percentage of the respondents are Fair group, 2.8 percentages of the respondent's Poor group, 2.8 percentages are Very poor group.

CONCLUSION

This researcher plan to find the connection of social financial component on choice of medical coverage strategy, the review is thought about where free factors old enough, orientation, pay level, instructive capability and conjugal status. The investigation discovered that the depended element of health care coverage institutional design is the in light of free variable old enough, orientation, pay, conjugal status and instructive foundation. According to the study, there is a significant correlation between socioeconomic factors and the decision to purchase health insurance., it is found that this actual variable task level of impact in the buying health care coverage strategy the aggregate guaranteed, kind of insurance agency, inclusion period and so on. The employer is required to provide the entire family with access to the health insurance policy. The majority of respondents, according to the study, work for public general insurance companies; as a result, these companies need to improve their customer service, and private health insurance companies need to gain more people's trust when it comes to settlement. The study found that respondents prefer easy claim settlement and lower premiums, and that proximity to a network hospital is also a factor. It is suggested that the insurance company can provide comprehensive coverage.

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