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PERFORMANCE AND GROWTH OF HEALTH INSURANCE HOLDERS IN TRICHY DISTRICT WITH SPECIAL REFERENCE TO MANACHANALLUR BLOCK

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Abstract

India is one of the fastest developing countries in the world and also growth of all the sectors like, Primary, Secondary and Services Sectors. In this regards, Health Insurance Company is providing many schemes to contribute all the level of income people to save human life and secure. In this way, insurance sector to extent branches all over India to providing offer life insurance and non-life insurance. Besides that many developed countries people to give the preference and using health insurance. In this respect, Insurance Regulatory and Development Authority of India to issued Health insurance product to all the areas like, Urban, Semi-urban and Rural areas. Therefore, health insurance product is now emerging as a tool to manage financial needs of people to seek health services. Today, various health insurance schemes are available in the market and providing benefits from an individual to an entire family. Therefore it is necessary for people to understand the cost and benefits of health insurance. And also insurance sector to give wide campaign like awareness programmes and basic literacy level in rural and semi urban areas. In this way, the researcher analysed with the performance and growth of health insurance policy in Trichy District with special reference to Manachanallur Block.

Keywords: IRDA, Life Insurance, Non- Life Insurance, Growth, Performance, Awareness Programmes.

I. Introduction

Historically Health insurance is recognized as one of the important elements of health care. While the prevalence of health infrastructure and the technological advancements in medical field may offer a succor, they do not completely substitute for health insurance. The insurance sector in India which initially covered certain areas like life,

motor, marine insurance is gradually making rapid strides to cover the exclusive health risks contingent on human lives. Availability of health infrastructure also spurs the demand for health insurance. With an increase in the number of non-life insurers, there has been a significant improvement in the product innovation in the health insurance segment. Innovation

in product development also offers ample opportunity to various categories of the population to get covered with much needed and specific health insurance solutions.

OBJECTIVES OF THE STUDY

1. To know the overview of life insurance and non- life insurance product in India.
2. To analysis the health insurance policy holders performance and growth in Manachanallur block.
3. To offer summary of findings, suggestions and conclusion.

RESEARCH METHODOLOGY

The present research study is descriptive in nature with the use of

secondary data. Secondary data were collected from the reports of Insurance Regulatory and Development Authority of India, Ministry of Finance, journals, thesis, dissertation, magazines and books etc.

SCOPE OF RESEARCH WORK

The present research work is one of fact finding with respect to the policy holders performance and growth of health insurance.

Sample Size Calculation

Sample size was calculated according to Slovin’s formula. Total population is 32,478, based on the formula; required sample size is 64 which is considered as sample respondents.

Table No. 01

Sampling size calculator was applied to determine the sample size of the research study;

S. No	Name of the Block	Name of The Villages	No. of. Respondents Selected (8)
1.	Manachanallur	Samayapuram	08
2.		Irungalur	08
3.		Puradhakudi	08
4.		Konalai	08
5.		Siruganur	08
6.		Peruganur	08
7.		Thirupattur	08
8.		Valaiur	08
Total Respondents			64

Source: Primary Data

Population Size : 32,478
 Confidence level : 95%
 Confidence Interval : 12.24
 Sampling Size : 64

Where:

- n = Sample size
- N = Population size
- e = acceptable sampling error * 95% confidence level
- p = 0.5 are assumed

REVIEW OF LITERATURE

Kalpana Naidu. C and Paramasivan. C (2015) explain Indian financial system is highly influence with the banking and insurance sector which attracts flow of savings and investments to

the country. Insurance sector in India is one of the growing sectors of the economy. The insurance sector, along with other elements of marketing, as well as financial infrastructure, have been touched and influenced by the process of liberalization and globalization in India. It also caters to the needs of the both real economy and socio-economic objective of the country. It is making inroads into the interiors of the economy and is being considered as one of the fast-developing areas in the Indian financial sector. It has been mobilizing long-term saving through life insurance to support economic growth

and also facilitating economic development.

RamaiahItumallaet, al (2016) concluded that health insurance in India is going to develop rapidly in future. The task of the government, private providers and the civil society is to solve the issues and challenges and to see that the health insurance benefits consumer most impotently the poor and the weak in terms of better coverage and health services.

Priya and Srinivasan (2015) delivered to health insurance industry is growing at a fast pace and so are the issues and challenges linked to bringing in synergy within the system. With the rising health care cost, increase in disposable income and high out-of pocket expenditure for funding healthcare, the only way forward for financing healthcare in a country like India is through health insurance mechanism.

Nagaraju (2014) explain thathealth insurance is an insurance coverage purchased in advance by an individual or a group after paying a fee called premium'. It is a complimentary financing mechanism for enhancing access

to quality health. Health insurance is one of the products offered by the general insurance companies as well as by life insurance companies in India.

Candida A Quadros and ArpitaAgarwal (2014) observed that health insurance for protection against high and unexpected medical cost, for some it is provided by the company and few others tax benefit is the main reason. Looking at the factors which are responsible for less insurance we can comprehend that health insurance companies should relook at the premium charged and provide easy and cheaper insurance options.

NilayPanchal (2013) has suggested that as human beings, we are at, all times prone to falling sick or getting a disease. Sometimes even change inthe weather causes sickness. Health care is very expensive nowadays. More than the disease itself, it is oftenthe cost of treatment that takes its toll. Health insurance policy covers medical expenses incurred during pre and post hospitalization stages.

Table No. 02

Profile of the Respondents

S.No	Profile	Variable	Data	Total Respondent's	Percentage	Total Percentage
1	Gender	Male	38	64	59.38	100
		Female	26		40.62	
2	Age	Below 30 Years	12	64	18.75	100
		30-40Years	15		23.44	
		40-50Years	19		29.69	
		Above50Years	18		28.13	
3	Marital Status	Married	47	64	73.44	100
		Un married	17		26.56	
4	Education	Graduate	26	64	40.63	100
		Post graduate	14		21.88	
		Professional	16		25.00	
		School	08		12.50	

5	Occupation	Private	37	64	57.81	100
		Government	16		25.00	
		business/self employed	11		17.19	
6	Annual Income	Below 1 lakh	13	64	20.31	100
		1-5 lakh	18		28.13	
		5-10 lakh	33		51.56	

Sources: Primary Data

Table No.02, indicate that profile of the respondents, according to 59.38 percent of respondents belongs to male category and 40.62 percent of respondents belongs to female category. In this regards majority of respondents age above 29.69 percent of the respondents, 73.44 percent

of the respondents belongs married, 40.63 per cent respondents having Graduate, 57.81 percent of the respondents having private employee and 51.56 percent of the respondents earning 1-5 lakh annual income.

Table No.:3
Number of Persons Covered Under Health Insurance

(In lakh)

Class of sector	2010-11	%	2011-12	%	2012-13	%	2013-14	%	2014-15	%
Government	1891	74.59	1612	76.10	1494	71.97	1553	71.83	2143	74.40
Group (other than Govt.)	226	8.91	300	14.16	343	16.54	337	15.58	483	16.77
Individual	418	16.48	206	9.72	236	11.38	272	12.58	254	8.81
Total	2635	100	2118	100	2073	100	2162	100	2880	100

Source: IRDA, Annual Report: 2014-2015

Table No.:3 explains that number of persons covered under health insurance, according to 74.59 per cent of the government insurance in 2010-11 (1891crore), 76.10 per cent of the government insurance in 2011-12 (1612crore), 71.97 per cent of the government insurance in 2012-13 (1494 crore), 71.83 per cent of the government insurance in 2013-14 (1553crore) and 74.40 per cent of the government insurance in 2014-15 (2143crore). With respect to 8.91 per cent of the non government insurance in 2010-11 (226 crore), 14.16 per cent of the group (other than govt.)insurance in 2011-12 (300 crore). 16.54 per cent of the group (other than govt.)insurance in 2012-13 (343 crore), 15.58 per cent of the group (other

than govt.)insurance in 2013-14 (337 crore) and 16.77 per cent of the group (other than govt.)insurance in 2014-15 (483 crore). With reference to, 16.48 per cent of the individual insurance in 2010-11 (418crore), 9.72 per cent of the individual insurance in 2011-12 (206crore), 11.38 per cent of the individual insurance in 2012-13 (236crore), 12.58 per cent of the individual insurance in 2013-14 (272 crore) and 8.81 per cent of the individual insurance in 2014-15 (254crore).

Table No: 4.1
One way ANOVA for Income and Purpose of Health Insurance and Useful of Families

Ho: There is no significant difference between Purpose of Health Insurance and useful of families.

Source of Variation	Sum of Squares	df	Mean Square	F	p-value
Between Groups	.970	3	.324	1.306	.280*
Within Groups	15.092	61	.247		
Total	16.062	64			

Note: ** Denotes significant at 1 % level.

The above table number 4.1 reveals that the p-value is less than 0.01; the null hypothesis is accepted at 1 per cent level of significance. It is concluded that there is a significant difference between Purpose of Health Insurance and useful of families. (F= 1.306; p<0.01).

Table No: 4.2
Purpose of Health Insurance and Savings Future

Ho: There is no significant difference between Purpose of Health Insurance and Savings Future.

Source of Variation	Sum of Squares	df	Mean Square	F	p-value
Between Groups	.548	3	.183	.718	.545
Within Groups	15.514	61	.254		
Total	16.062	64			

Note: ** Denotes significant at 1 % level.

The above table number 4.2 reveals that the p-value is less than 0.01; the null hypothesis is accepted at 1 per cent level of significance. It is concluded that there is a significant difference between Purpose of Health Insurance and Savings Future. (F= .718; p<0.01).

Table No: 4.3
Purpose of Health Insurance and Secured Health

Ho: There is no significant difference between Purpose of Health Insurance and Secured Health.

Source of Variation	Sum of Squares	df	Mean Square	F	p-value
Between Groups	.856	3	.285	1.181	.324**
Within Groups	14.744	61	.242		
Total	15.600	64			

Note: ** Denotes significant at 1 % level.

The above table number 4.3 reveals that the p-value is less than 0.01; the null hypothesis is accepted at 1 per cent level of significance. It is concluded that there is a significant difference between Purpose of Health Insurance and secured health. (F= 1.181; p<0.01).

Table No: 4.4
Purpose of Health Insurance and Risk Benefits

Ho: There is no significant difference between Purpose of Health Insurance and Risk Benefits.

Source of Variation	Sum of Squares	df	Mean Square	F	p-value
Between Groups	.315	3	.105	.406	.749
Within Groups	15.747	61	.258		
Total	16.062	64			

Note: ** Denotes significant at 1 % level.

The above table number 4.4 reveals that the p-value is less than 0.01; the null hypothesis is accepted at 1 per cent level of significance. It is concluded that there is a significant difference between Purpose of Health Insurance and Risk Benefits. (F= .749; p<0.01).

Table No: 4.5
Purpose of Health Insurance and Premium Benefits

Ho: There is no significant difference between Purpose of Health Insurance and Premium Benefits.

Source of Variation	Sum of Squares	df	Mean Square	F	p-value
Between Groups	.340	3	.113	.440	.725
Within Groups	15.721	61	.258		
Total	16.062	64			

Note: ** Denotes significant at 1 % level.

The above table number 4.5 reveals that the p-value is less than 0.01; the null hypothesis is accepted at 1 per cent level of significance. It is concluded that there is a significant difference between Purpose of Health Insurance and Premium Benefits. (F= .725; p<0.01).

Table No. 4.6
Age and Reason for using Health insurance

Age	Reason for using health insurance				Total
	Location convenience	Insurance service	Service quality	Recommended by friends	
Below- 30 years	3	4	4	4	15
31-40 years	6	6	11	3	26
41-50 years	0	8	6	5	19
Above 51 years	1	0	2	1	4
Total	10	18	24	13	64

Chi-Square Tests

	Value	Df.	Asymp.Sig(2-sided)
Pearson Chi-Square	10.024 ^a	9	.349
Likelihood Ratio	13.868	9	.127
Linear-by-Linear Association	.688	1	.407
Pearson Chi-Square	10.024 ^a	9	.349
No. of Valid Cases	65		

a.

10 cells (62.5%) have expected count less than 5. The minimum expected count is .62.

Table No. 4.6 shows that the calculated value is 1.024 E2 which means 10.024 and it significant at this level of

significance 0.000 at degrees of freedom 9. If the significant value is more than 0.05 then reject null hypothesis and accept alternate hypothesis. In the above obtained

result the significant value is more than 0.05 so, accept null hypothesis.

Hence there is significant association between age and Reason for using Health insurance.

Table No. 4.7
Age and Type of insurance Cross tabulation

Age	Type of Insurance sector		Total
	Private sector	Public sector	
Below- 30 years	6	9	15
31-40 years	14	08	22
41-50 years	10	13	23
Above 51 years	1	3	4
Total	31	33	64

Chi-Square Tests

	Value	Df.	Asymp.Sig(2-sided)
Pearson Chi-Square	1.373 ^a	3	.712
Likelihood Ratio	1.408	3	.704
No. of Valid Cases	65		

a. 2

cells (25.0%) have expected count less than 5. The minimum expected count is 1.78.

Table No. 4.7 indicate that the calculated value is 1.373^a E2 which means 1.373 and it significant at this level of significance 0.000 at degrees of freedom 3. If the significant value is more than 0.05 then reject null hypothesis and accept alternate hypothesis. In the above obtained result the significant value is more than 0.05 so, accept null hypothesis.

Hence there is significant association between age and types of insurance sector using Health insurance.

FINDINGS

1. The Profile of the respondents, according to 59.38 percent of respondents belongs to male category and 40.62 percent of respondents belongs to female category.
2. In this regards majority of respondent's age above 29.69 percent of the respondents.
3. 73.44 percent of the respondents belongs to married.
4. 40.63 per cent respondents having Graduate.

5. 57.81 percent of the respondents having private employee and 51.56 percent of the respondents earning 1-5 lakh annual income.

SUGGESTIONS

The public must be educated through intensive campaign, similar to Life and non life insurance. Though some corporate and Government have taken up initiative in providing health insurance to the employees, in Tamil Nadu government have brought up low premium health insurance for the benefit of the poor is an welcome measure. Clarity of the disease covered by the policy, when and how a claim has to be submitted with the insurance company, procedures and documents to be submitted in case of critical and other hospitalization with the insurance company, etc. It is suggested that an advisor must be available in all hospitals that can be clearly explain and suggest a suitable policy for the person or the family.

CONCLUSIONS

Health Insurance is not a new concept and the people are getting more aware about it

through employers, newspapers, insurance agents, television etc, but this awareness has not yet reached the level of subscription. It is also perceived that the health insurance should be sponsored by the central and state companies, institution, and individual. And also lack of awareness also acts as a hindrance for subscription of health insurance. It was observed that there is no major difference between male and female about the knowledge of health insurance. But there is a positive association between education and awareness about health insurance. So we can conclude that people are willing to buy health insurance but they are little uncertain about the coverage, cost and benefits of health insurance.

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