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Prevalence and Factors Affecting the Utilisation of Health Insurance among Families of Rural Karnataka, India

B.Ramakrishna Goud[1*], Anil John Mangeshkar[2], Sanjay Soreng[2], Prathima[2], Noel Mathew Varghese[2], R.Deepthi[3] and M.Shashi Kumar[3]

[1]Coordinator-Rural Health Services, Department of Community Health, St.John's Medical College, Sarjapur Road, Bangalore, India
[2]Department of Community Health, St.John's Medical College, Sarjapur Road, Bangalore, India
[3]Department of Community Medicine, ESI Medical College, Rajajinagar, Bangalore, India
**Corresponding author*

KEYWORDS

Health Insurance, Gross Domestic Product (GDP)

A B S T R A C T

In countries like India shrinking public health budgets, the escalating healthcare costs coupled with the demand for healthcare services and lack of easy access of people from the low income group to quality healthcare; health insurance is emerging as an alternative mechanism for financing of health care. To study the awareness, prevalence and utilization of Health Insurance services among the families in rural village of Sarjapur hobli, Anekal taluk, Bangalore Urban District. A cross sectional study done among all 200 households of Mugalur village. An interview schedule was administered regarding, socio demographic details, morbidity, health facilities available and awareness regarding health insurance. Totally 95 (47.5%) of the individuals were aware of health insurance. Prevalence of Health Insurance in Mugalur was 85 (42.5%), of them28 (32.9%) had utilized health insurance. Prevalence of health insurance was high among households suffering with some morbidity in the past five years and chronic morbidity and where decision makers in the households are literates. However there was no relation with prevalence of health insurance with socioeconomic status. The awareness and prevalence of health insurance is low in rural Karnataka. Having some kind of morbidity in the family members and being literate motivated households to opt for health insurance. This calls for effective information, education and communication activities which will improve understanding of insurance among them.

Introduction

In most high and middle-income countries, the governments contribute a sizable portion of the health expenditure unlike in India which spends only 4.6% of its Gross Domestic Product (GDP) on healthcare[1]. Most of the health expenditure is spent by individual households, who pay for care-at-the-point of use. The most common source

of health expenditure in our country is the out-of-pocket payments and it is accepted that this form of payment is very inefficient and inequitable [2]. Escalating healthcare costs is one of the reasons for indebtedness not only among the poor but also in the middle-income group [2].Whitehead et al describes the burden of ill-health and its associated financial consequences as the medical poverty trap [3].Around 24% of all people hospitalised in India in a single year fall below the poverty line due to hospitalisation [4].

In the light of the financial crisis facing the government at both the Central and State level, the shrinking public health budgets, the escalating healthcare costs coupled with the demand for healthcare services and lack of easy access of people from the low income group to quality healthcare, health insurance is emerging as an alternative mechanism for financing of health care [5, 6]. Presently the penetration of health insurance in our country is just about 4% [7].

Essentials in a health insurance programme arepre-payment and risk pooling. Solidarity and equity are the key values of Health Insurance. There are some risks associated with health insurance like adverse selection, risk selection and moral hazard in the behaviour of the patient and provider [8]. A health insurance programme usually will increase access to healthcare and protect households from high medical expenses at the time of illness [9].

Hence this study was undertaken with the objectives to study the awareness and prevalence of Health Insurance services among the families in rural village of Sarjapur hobli, Anekal taluk. The study also looked at the utilization pattern and the factors influencing its utilization.

Methodology

It was a Cross sectional study done among the families in Mugalur village in the period from Nov 1st 2007 to Dec 15th 2007. All the households in Mugalur were included. The houses that were locked even after three visits in three different days, the absence of the decision maker, refused to give consent were excluded from the study.

A questionnaire was developed which included socio demographic details, morbidity, health facilities available and awareness regarding health insurance. Information regarding if the household members possess any health insurance and if they have utilized that insurance facilities was also enquired. A house to house survey was done and interview schedule was administered to the decision maker of the family.

The data was compiled in a MS excel worksheet and analyzed using Epi Info ver 6. Percentages and Chi-square test were the statistical tests used to study the associations between selected demographic variables and utilization of health insurance.

Result and Discussion

There were 230 households in Mugalur of which 30 households were excluded based on exclusion criteria. There are two cooperative societies providing four different kinds of community health Insurance Scheme. Most Popular Health Insurance Scheme was Yeshaswini insurance scheme.

Table 1 shows awareness regarding Health Insurance Schemes among households in the study area. Decision maker of each household was interviewed regarding awareness of health insurance schemes.

Ninty five households (41.3%) were aware regarding health insurance where as 45.7% of the households was not aware of health insurance. Table 2 shows source of information regarding health insurance. Most (70.5%) had heard about health insurance from their milk cooperative societies and 14.7% of the household had heard from silk cooperative societies. Around 12.7% of them had heard from other sources like neighbours, co workers, relatives or from news paper and television.
Table 3 shows the prevalence and utilization of health insurance in the study population. It was observed that 42.5% of the households possessed health insurance; all of them had Yashasvini community based health insurance. Of the 85 who possessed health insurance, 20 (23.0%) had utilized the services provided under the health insurance scheme.

Yeshasvini Cooperative farmers health care scheme is a community based health insurance introduced by Department of Cooperation, Government of Karnataka and Narayana Hrudayalaya in 2003. It covers members of cooperative society at least for six months and their families. Providers are hospitals of private sector which have enrolled voluntarily. Every Individual contributes Rs 60 per year and Govt of Karnataka Rs 30 per person per year. Benefit package includes free outpatient consultation for any illness if the consultation leads to surgery, subsidised diagnostics for any illness, free hospitalisation for any surgery; up to a maximum limit of Rs 1,00,000 per hospitalisation or Rs 2,00,000 per person per year.

When the households without any health insurance were asked why they did not have any kind of health insurance, most (91.3%) were not a part of any cooperative society and they were ignorant about the other types of health insurance which they can avail. Eight (6.9%) of them had financial constraints and two (1.7%) felt having health insurance did not make much difference to them hence they dint opt.

Prevalence of health insurance among illiterates was 26% and 74% of the literates had health insurance whereas 42% of households with illiterates did not have health insurance as compared to 58% of literates who did not have health insurance. This difference was found to be statistically significant (Chi square value = 5.4, df = 1, p=0.02).

Of all the households who had health insurance 62% belonged to above poverty line, 28% belonged to below poverty line and 9% of them could not be classified as did not possess any card. 35.3% of the households who had health insurance also suffered with some morbidity in the household requiring hospitalization in the past five years and only 1.7% of the households who did not have health insurance suffered with some morbidity in the household requiring hospitalization in the past five years. This difference was found to be statistically significant (Chi square value = 40.95, df = 1, $p<0.001$).

When association between presence of chronic morbidity among the household members and health insurance was checked, it was found that 34.1% of the households with health insurance had someone in the family suffering from some chronic illness whereas only 8.7% of the households without health insurance had someone in the family suffering from some chronic illness. This difference was found to be statistically significant (Chi square value = 20.1, df = 1, $p<0.001$).

Table.1 Awareness regarding Health Insurance Schemes among households

Particulars	Number	percentage
Number of households in Mugalur village	230	100
Number of households included in the study	200	87.0
Number of households with awareness regarding health insurance	95	41.3
Number of households with no awareness regarding health insurance	105	45.7

Table.2 Sources of information regarding health insurance

Source of information	Number	Percentage
Milk cooperative societies	67	70.5
Silk Cooperative societies	14	14.7
Employer	02	2.1
Others	12	12.7
Total	95	100

Table.3 Health insurance prevalence and utilization in the study population

Particulars	Number	Percentage
Prevalence of Health Insurance (n=200)	85	42.5
Number not utilized Health Insurance (n=85)	65	77.0
Number who utilized Health Insurance (n=85)	20	23.0

Table.4 Factors associated with the prevalence of Health Insurance

Factors	Prevalence of health insurance Present (%)	Absent (%)	Total (%)
Education status of the head of the household			
Illiterate	22 (26)	48 (42)*	70 (35.0)
Lower Primary School	7(8)	12 (10)	19 (9.5)
Higher Primary School	16 (19)	26 (23)	42 (21.0)
High School	28 (33)	21 (18)	49 (24.5)
Pre-university	9 (11)	8 (7)	17 (8.5)
Undergraduate Degree	1 (1)	0 (0)	1 (0.5)
Postgraduate Degree	2 (2)	0 (0)	2 (1.0)
Socio-economic Status			
Above Poverty Line	53 (62)	50 (43)	103 (51.5)
Below Poverty Line	24 (28)	26 (23)	50 (25.0)
Neither	8 (9)	39 (34)	47 (23.5)
Morbidity in the past five years			
Yes	30 (35.3)	2 (1.7)**	32 (16.0)
No	55 (64.7)	113 (98.3)	168 (84.0)
Chronic morbidity			
Yes	29 (34.1)	10 (8.7)**	39 (19.5)
No	56 (65.9)	105 (91.3)	161 (80.5)
Total	85 (100)	115 (100)	200 (100)

*p<0.01 **p<0.001

In the study group only 47.5% of the households were aware of health insurance schemes. Ideally government should provide health care, especially for poor rural population, but in practical it does not happen. Hence this emphasises the need for education of rural populations on the concept of insurance and information on health insurance. Most of the households were aware regarding health insurance through cooperative societies, only a minor proportion got to know about health insurance from various other sources. Hence panchayat raj institutions should promote cooperative societies to opt for health insurance and educate the households regarding the same.

The prevalence of health insurance among households was 42.5%, of them 20 (23.0%) had utilized the services provided under the health insurance scheme in our study. It is estimated that only less than 9 per cent of the Indian workforce is covered by some form of health insurance through central government health scheme, employee's state insurance scheme and Mediclaim; a majority of the covered population belongs to the organised sector [10]. In a study done in Gujarat it was observed that only 47 per cent of the households in rural Gujarat had opted for the health insurance scheme [11].

Prevalence of health insurance was high among households suffering with some morbidity in the past five years and chronic morbidity and where decision makers in the households are literates. However there was no relation with prevalence of health insurance with socioeconomic status. A household survey comparing rates of hospital utilisation among individuals insured by the community health insurance schemes revealed that they were no more likely to have reported hospitalisation over a one year period than the non-insured [12].

According to Jajoo[13], "no vaccine-preventable illness was reported in children or mothers since mass immunisation was instituted under the health insurance scheme".

Awareness regarding health insurance is low among households of rural India. The prevalence of Health Insurance among rural India is so and is dominated by Community Based Health Insurance. Prevalence of health insurance is higher among literates, among the families which suffered morbidity in the last five years and among the families which suffered from chronic morbidity. This calls for effective information, education and communication activities which will improve understanding of insurance by the public and hence help in developing a market for health insurance.It is also necessary to ensure that lessons learned from these efforts reach policy-makers, program managers, academics, social activists and the interested public.

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