



HEALTHCARE BENEFITS IMPACT ON EMPLOYEE MOTIVATION IN POST PANDEMIC ERA

Mohammed Shafi

Working in a leading hospital in India

ABSTRACT

With the advent of technology, new business environment and long working hours, employees physical and mental health was deeply affected. The lifestyle diseases like cardiovascular disorders, diabetes etc have serious impact on employee's health. With the arrival of pandemic employees faced both financial and mental hardships. Employees were desperate to come out of this medical emergency. This hardship aroused the requirement of employee's health care programme to save self and their family from clutches of death. Employees Healthcare benefits play a vital role in lives of employees and in their family. It also has significant impact on administrative and operational policies of business and organisation. The objective of this paper is to understand the employee's expectation on healthcare benefits. The data were gathered from different level/appointment of employees at various departments by use of a standardized questionnaire in the time between 2/2022 and 06/2022. All respondents were adults and having at least one year of job experience. The questionnaire led to 400 evaluable answers. The study shows that employees greatly accept the need of good health care benefits form organization and greatly value them.

Keywords: *working condition, health care benefits, life style diseases*

1. INTRODUCTION

Healthcare benefits are employee benefits which offer assistance with healthcare costs. They are used by employers as extra perks to attract employees. Given the high healthcare costs, this scheme has traditionally worked well with employees. Classically, an employer offers employees some form of group health insurance or a set amount of to spend on healthcare. Employees may be offered insurance after working for a set period of time, or right away, and the level of coverage is usually linked to employment status, with part time employees receiving fewer benefits. Depending on the company's plan, employees may have to opt into the healthcare plan, paying a small fee while the company pays the bulk of the premium, or the employer may cover all insurance-related costs.

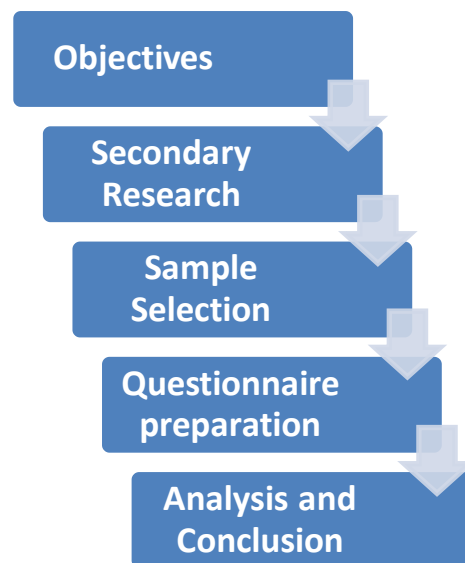
Getting medical coverage through a job can save a substantial amount of money, especially in the case of people who are taking care of a family. For this reason, healthcare benefits are often highly sought after, and employers who have a good record of offering such benefits may find that they have a large pool of highly qualified applicants to choose from whenever a job opening arises. People may also integrate benefits into salary negotiations, pushing for better benefits as part of a compensation package before they agree to take a position in a new company. The devastating effect of Covid-19 greatly enhances the necessity of employee's health care plan for self and family. Moreover, lockdown and long working hours, social restriction with limited recreation facilities has deteriorated physical and mental health of employees.

Our Research paper is an endeavour to study the expectations of healthcare benefits among the employed people in India. The report begins with the introduction of healthcare benefits offered across the world and their details. We have defined the laws pertaining to healthcare in certain countries and compared them to the existing laws in India. The next section looks into the different healthcare benefits being offered to employees working in different industries and the role of third party administrators (TPAs) in dispensing these services.

Finally we have conducted a survey among the employees. Through this survey we have tried to capture the expectations and importance of healthcare benefits being offered in various companies in India. We have analysed the results through different parameters such as demographics, age and gender to come up with the relative expectations of each group vis-à-vis their healthcare requirements.

2. PROJECT METHODOLOGY

Based on the objective of our project topic "employee expectation from healthcare benefits, we started with the secondary research to understand the dynamics of the employer based health insurance and the viable coverage being provided by the employer. We have taken into account the several factors like the laws governing health insurance coverage, the current market scenario's effect on the health benefits offerings by the companies, etc. Subsequently we developed a questionnaire / survey to cover the various aspects and arrive at recommendations and plausible conclusion.



3. ALL ABOUT HEALTH BENEFITS OFFERED BY EMPLOYERS

Hospitalization, Health and Disability Insurance:

As per WHO, health is defined as complete wellbeing of physical, mental and social wellbeing. As diseases are spreading fast and affecting majority of employees, health care benefits come to existence. Life style diseases like high BP, high sugar, obesity has been area of concern for both employees and employer. Hospitalization, health and disability insurance helps protect employees against the hospitalization costs and the loss of income arising from off-the-job accidents or illness. Many employers purchase the insurance from life insurance companies, casualty insurance companies and health payor companies. The other options available would be through Health maintenance organizations or the preferred provider organizations.

The Covid-19 pandemic brought revolutionary changes in the mind set of employees with respect to health of self and families. Absence of good medical coverage not only caused wide spread deaths but also created a multi generation poverty among employees, as the costs of hospitalization was very expensive and only a few could afford it. Moreover, competitive and long working environment in our country also cause physical and mental stress, anxiety, fear and health disorders among employees.

Coverage Offered:

Most of the health insurance plans provide a basic hospitalization, surgical and medical insurance for all eligible employees at group rates. The health insurance is generally available to all employees including new employees – regardless of their health or physical condition. Most of the basic plans cover for hospital room and medical expenses resulting from long-term or serious illness.

Most employers' insurance plans cover health related expenses such as doctors' visits, eye care and dental services. Other specific employer health insurance plans cover for general and diagnostic visits to the doctor's office, vision care, hearing aids and prescription drugs. In most employer sponsored dental plans, employees pay a specific amount of deductible dental expenses before the plan comes into plays.

Disability insurance provides income protection for salary loss due to illness or accident. The payments usually start when normal sick leave payments end and may continue until the age of 65 or beyond. The benefits usually range from 50% to 75% of the employees' base pay in case of disability.

4. TRENDS IN HEALTH CARE COST CONTROL

Employers are taking steps to try to rein in spiralling health care costs. Many do this in conjunction with cost containment specialists – companies that specialize in helping employers reduce their health care costs.

Communication, involvement and empowerment:

- There is a requirement of getting employees more and more involved and empowered through the health care program. One important way is to make sure employees know the costs of the medical decisions they are making and to involve them more in plan administration. For example, employers use their intranets to provide the employees with access to basic health coverage and benefits information, promote in-network services to employees and encourage employees to re-evaluate their healthcare market options frequently. Online selection software allows employees to choose the best of the employer's health care offerings based on input from employees.

- People who are insured are protected against uncertain and high medical expenses and are more likely to receive needed and appropriate health care. In addition, having health insurance is associated with improved health outcomes and lower mortality, so employees with health insurance are more likely to be productive workers.
- When an employer offers health insurance to its employees, usually some conditions are attached, such as a waiting period before benefits take effect for new employees, a requirement that the employee be full time or work a specified number of hours per week, and a requirement that employees pay a portion of the premium.

5. HEALTH INSURANCE COVERAGE BY EMPLOYER BASED ON FIRM SIZE

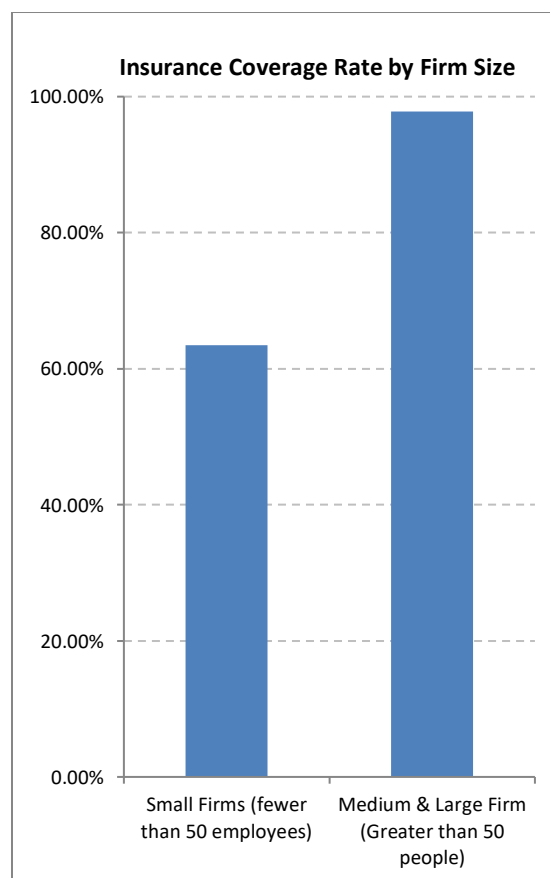
Small employers with predominantly low-wage workers are much less likely to offer health insurance since the greater cost of underwriting and administering coverage for each enrollee in a small workforce adds to the cost of the premium. Since smaller firms face higher rates of employee turnover, it is likely that a smaller percentage of their workers will fulfil the waiting period required for enrolment.

Also, since small businesses experience higher rates of business failure than larger firms do, they have greater incentives to keep their costs of doing business low. Finally, the lack of coverage at such firms may reflect the weaker preferences of small-firm employees for compensation in the form of health insurance benefits compared to wage income.

Firms with large numbers of employees (more than 50 employees) are more likely to offer their employees' health insurance:

- Among medium and large private-sector employers (firms with 50 or more employees), 97.8 percent of all employees worked where health insurance was offered
- Among small private-sector employers (firms with fewer than 50 employees), 63.5 percent of all employees worked where health insurance was offered

Small employers not offering health insurance typically cite the cost of insurance and the belief that employees have other sources of coverage (e.g., through a spouse) as their principal reasons.



The firms least likely to offer coverage are those with low-wage workers, high turnover, no unions, and many part-time employees. The smaller the firm size, the more likely are its employees to be uninsured. However, it is interesting to note that the proportion of uninsured workers employed even by quite large firms (500 or more workers) has grown in recent years. The proportion of uninsured workers in these firms expanded from 25 to 32 percent in the last 10-12 years.

Declines in manufacturing jobs and unionization rates are the most important reasons for the rise in uninsured workers at these large firms trying to get ahead financially these days is an extremely difficult goal to accomplish and a lot of people are finding that even the basic advantages we used to take for granted are becoming harder to acquire. A person is fortunate to retain any health care benefits offered by their employer and it is not uncommon for that employee to shoulder a portion of the costs for this advantage. It is also rare to find that this package contains anything extra such as dental or vision coverage. Most of the time a vision plan is attained at an extra cost to the employee and it must be analysed to see if this addition cost is worth it.

6. EMPLOYER SPONSORED HEALTH CARE PACKAGE

A truly comprehensive employer sponsored health care package will contain:

- **Low deductibles** - This is a great benefit that reduces the out of pocket expenses to be paid by the employee. The rates for insurance go down when a business chooses to let the employee carry the burden of high deductibles and large co-payments so this is an appealing type of insurance to carry on their employees.
- **Dental insurance** - A group rate for dental insurance that includes regular check-ups and cleanings is such a great perk to workers. There is almost always an extra charge for orthodontics work but oftentimes a good dental insurance contract will pay most of the cost for these check-ups and cleanings and a portion of any dental work such as fillings and crowns. These can result in significant savings to an average family who takes advantage of these offerings.
- **Mental health evaluations and treatment** - There was a time that this was considered unnecessary but thankfully as more and more people are taking advantage of available mental health resources this insurance will accommodate them. Diagnosis, counselling and mental health medications are often available at a small cost to the employer and employees are finding that this form of treatment saves the business time that would have been lost by absenteeism and poor work habits.
- **Large pool of physicians in network** - It is a distinct advantage to be able select a doctor from many that are available rather than handfuls that are located nearby. The quality of care and the continuity of having the same doctor are extremely valued by the patient and contribute greatly to a good insurance program.
- **Regular eye screenings** - When this benefit is offered it is a service that can detect early stages of eye diseases such as Glaucoma, Cataracts and Macular Degeneration. These diseases are notorious for robbing people of their sight and are feared by many folks. When they are found to be present at their beginning stage, they are much more easily treated and can often improve or at least preserve current eyesight possibilities for a person

7. LIFE STYLE DISESES AND HEALTHCARE COVERAGE IN INDIA'S ORGANIZED SECTOR

Due to excessive job stress, alcohol abuse, job insecurity and lack of adequate sleep employees suffer from lifestyle diseases like cardiovascular disorder, diabetes etc. Cardio vascular disorder like hypertension and stroke and lead to serious permanent injury to employee's health. Diabetes has become a life threatening cause to employees and employee has to pay huge amount on medical bills throughout his life. A good companies health care will cover entire treatment of such diseases.

Current Scenario in Health Insurance Sector in India:

Healthcare expenditure in India is about 5 per cent of GDP compared to Japan (close to 8 per cent), the UK (8.4 per cent) and Brazil (7.5 per cent). There is no reliable database of organised labour covered under health insurance benefits in India. This is due to a multiplicity of schemes run by government and organizations.

According to a recent report sponsored by the trade body – Confederation of Indian Industry – several types of insurance cover are currently available to organised sector employees – Government schemes such as the Employee State Insurance scheme and Central Government Health Scheme, plus healthcare benefits provided by the large number of public sector organisations including the Indian Railways (which is the largest employer in the country) and the private health insurance schemes.

In 2010, an estimated 15% of the population was covered under some prepaid scheme, while the share of private health insurance has been less than 12%. The size of health insurance premiums in India for the year ending March 2020 was Rs.75 billion (about USD 1.42 billion) of which employee group health plans had contributed 35%. Several estimates place bet on a rapid growth of the market in the next four years to grow more than threefold and reach a size of Rs. 200 billion.

The four state-owned general insurance companies command the bulk of the market share in the health segment (which accounted for 18 per cent of their gross under written premium last year). The balance is shared by the 12 private licensed non-life insurers and the two stand-alone private health insurers that were established two years ago. Private insurers have chalked out aggressive retail plans in the health sector.

8. EMPLOYER HEALTH INSURANCE COVERAGE IN INDIA

In the old economy, dominated by state owned enterprises, corporate health care was an integral part of employee benefits. Up until the dawn of the economic reforms in the mid-1990s – when the state owned entities dominated almost all economic sectors –employee healthcare was regarded almost as an obligation by business owners. Besides corporate-run medical and healthcare establishments for the serving employees, such enterprises had offered guaranteed access to high quality healthcare for retired employees at every level. Some of these practices still continue, although many such enterprises have become market-listed entities over the years.

There is now a growing awareness in state enterprises that are stock listed entities to reconsider the rationale for continuing with in-house or self-insured arrangements and to look at alternatives such as private health insurance to fund the needs of their employees. The dominance of public sector insurers in group health insurance plans has been challenged by the private players since the insurance sector reforms began in the year 2000.

The four state-owned general insurance companies have been at the forefront of offering group employee health insurance plans. These plans are modelled after the hugely successful medical indemnity schemes (Med claim) offered by the companies to retail buyers. Employer group insurance plans were mostly run by public sector insurers without serious attention to high standards of underwriting or portfolio risk management considerations, but as a gateway to corporate commercial business.

Prior to 2007 when general insurance companies had enjoyed the benefit of high premium rates set by the government for fire and engineering risks, insurers had a tendency to bid for corporate group health business at loss-leading rates to keep the client within the fold. Following the abolition of tariff rates and the free market pricing(which witnessed some premium rates for fire risk cover plummeting by 60 per cent or more), insurers now have less incentive to indulge in such cross subsidy practices.

The cashless settlement system ushered in by private general insurance companies plays a dominant role in expanding the employee health insurance plans. The private general insurance companies had introduced the system of network private hospitals and offering hospitalization benefits, domiciliary care benefits and other benefits on a cashless or direct settlement basis, with the help of third party administrators (TPAs). This has helped to expand the market size for group health plans substantially in the last few years.

On the demand side, aggressive hiring of new employees by the expanding private sector with healthcare benefits as a key component of pay package has helped to expand the group health plans in the last few years. In the heady days of economic growth (until last year) companies had included attractive healthcare packages to hire and retain employees. Companies in the business process outsourcing, IT, telecom, and financial service sectors in particular have been prominent in this respect. The common approach of such employers is to arrange a group health insurance plan and offer a basic cover ranging from Rs.100,000(about US\$ 2,100) to Rs.500,000 to employees in different grades, with benefits extended to the employee's spouse and children and to the dependent parents of the employee.

For a few large firms in the IT sector such as Infosys Technologies spend huge sums on employee medical care. Infosys, for example, reportedly spends Rs 200 million a year (about US\$ 4.3 million) for its 85,000 employees in India, and another Rs. 1 billion for its 15,000 staff overseas. However, with the pandemic and economic slowdown, most companies are now closely reviewing health insurance plans and the benefit package.

9. HEALTH INSURANCE REGULATION IN INDIA

The Tariff Advisory Committee (the body authorized by the insurance regulator to be a storehouse of data for general insurance companies and to analyse the trends in health and motor portfolios) has recently released a useful analysis of the patterns of disease, claims, gender and so on, based on data filed by the 27 licensed Third Party Administrators of health policies. These can be gainfully utilised to construct group plans for different regions where employers operate. We also envisage that a major component of healthcare initiatives in India is likely to be in the form of preventive and wellness-based health programmes.

As suggested by a research report published in September 2007 by a leading think tank, the Indian Council for Research on International Economic Relations, a well-designed employee wellness programme can lead to a 25 per cent reduction in health plan costs, sick leave, disability pay and workers' compensation. The report has quoted that 98 per cent of employees who have undergone one preventive health check-ups have felt that these were beneficial in terms of better productivity at work and better quality of life. A few insurance companies have launched mass market plans incorporating preventive based features, and these are said to have been received well in the market.

10. POTENTIAL TRENDS OBSERVED IN THE EMPLOYER HEALTH INSURANCE COVERAGE

Rising healthcare liability incorporate balance sheets:

Companies offering post-retirement medical benefits are discovering that the liabilities computed from an actuarial perspective are now sharply rising and there is substantial under-funding of these liabilities. Post-retirement medical benefit liability estimates are sensitive to assumptions regarding the assumed rate of future increases in costs. The liability estimates can almost double based on a change in the assumed annual benefit cost. Companies are now required to capture the liabilities under the revised accounting standard in force in India.

Despite the challenges in managing employee healthcare plans, companies realize the need to provide decent healthcare facility to ensure the productivity and loyalty of their employees. We would expect the corporate health insurance plans to gain further momentum in the period ahead due to increasing competition and changing corporate attitudes. A key driver is likely to be the rising level of interest on the part of life insurance companies to enter the health insurance segment.

India is probably a unique case where health insurance is dominated by general insurance companies, while in the rest of the world life companies and stand-alone health insurers largely cater to this need. This is now changing in India too, with most private life insurers announcing plans to enter the health sector. Life insurers compete aggressively for contracts to manage the retirement benefit schemes of companies, with several innovative schemes bundling life cover with retirement benefits currently being available in the market.

With the database so acquired, life companies could then offer several variants of health benefit plans for employees. In this context, employers in India are likely to become attracted to health saving plans which are offered with varying degrees of success in several countries such as Hong Kong, Singapore and South Africa. Health saving accounts are accepted as available form of financing long-term healthcare expenses. These are mostly tax-exempt saving accounts, similar to individual pension accounts but where the savings are earmarked for medical expenses.

A few life insurers, such as ICICI Prudential Life Insurance, have launched such a product for individual subscription, and this could be adapted as a group healthcare plan fairly easily. We also envisage more stand-alone health insurance companies to be licensed in India in the next few years buoyed by the favourable regulations, and those specializing in employee health plans in other countries could develop this as a pioneering business model in India.

India is also likely to move more actively into co-pay schemes in group health insurance plans. Insurance companies that have launched 'cashless' hospitalization plans have reported that co-pay schemes lead to insured customers exercising better control on the medical procedures and reducing the total period of hospitalization. There is also scope to design various types of group health insurance plans suited to different geographical regions in India and the industry/employer segments.

11. ROLE OF THIRD PARTY AGENTS IN THE EMPLOYER HEALTH INSURANCE SYSTEM

A third-party administrator is typically hired by a company to administer its health insurance program. This includes collecting premium payments and issuing reimbursements. TPA was introduced through the notification on TPA-Health services regulations, 2001 by IRDA. Their basic role is to function as an intermediary between the insurer and the insured and facilitate the cashless service of insurance. For this service they are paid a fixed per cent of insurance premium as commission. This commission is currently fixed at 5.6% of premium amount.

The figure below depicts the working environment of insurance industry and role of TPA in the system:

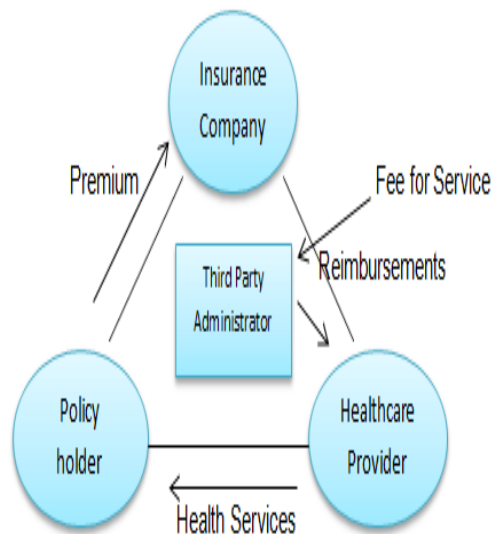


Fig. Health Insurance Delivery System

The core product or service of a TPA is ensuring cashless hospitalisation to policy holders. Intermediation by TPAs ensure that policy holders get hassle-free services, insurance companies pay for efficient services and healthcare providers get their reimbursement on time.

By doing this it is expected that TPAs would develop appropriate systems and management structures aiming at controlling costs, developing protocols to minimise unnecessary treatments, improve quality of services and ultimately reducing premium amounts.

As of April 2018, there are thirty eight recognized TPA's operating in India. Companies such as Larsen and Toubro, Tata motors and other large business houses provide medical benefits to employees through these TPAs. The company pays nominal premiums for their employees through group insurance schemes to these TPAs who pay it to the insurance company. In case of hospitalization of employees or the dependents covered under the scheme, the TPA ensures cashless and hassle free service to the employees. The TPA has a list of tie-up hospitals which are covered under the insurance and are bound to provide cashless service to the employee.

TPAs generally have in-house expertise of medical doctors, hospital managers, insurance consultants, legal experts, information technology professionals and management consultants. The effectiveness of TPAs in managing claims and reimbursements depends on their bargaining power vis-à-vis healthcare service providers.

The IRDA regulations make it necessary that at least one of the directors of the TPA should be a qualified doctor registered with the Medical council of India. TPAs are generally involved in issuing identity cards to the policy holders, provide 24 hour helpline services, inform the customers regarding empanelled hospitals, arranging for specialised consultation and claim processing during admission of the policy-holders. Some TPAs provide value added services to the consumers which include arrangement of ambulance services, medicines and supplies, guide members for special consultation, provide information about health facilities, hospitals, bed availability and other well-being programmes.

12. HEALTHCARE BENEFITS IN DIFFERENT INDUSTRY SECTORS

In this section we will cite few examples of the different kinds of healthcare services provided by employers in India.

Manufacturing firms provide Medclaim facilities to its employees who are not covered under employee state insurance (ESI). These benefits are provided as part of flexible/variable compensation benefits to the employees. We studied five manufacturing firms which are

- Larsen and Toubro
- Mahindra and Mahindra
- Nokia
- Tata Motors

The findings about the health benefits model followed across companies in the manufacturing sector:

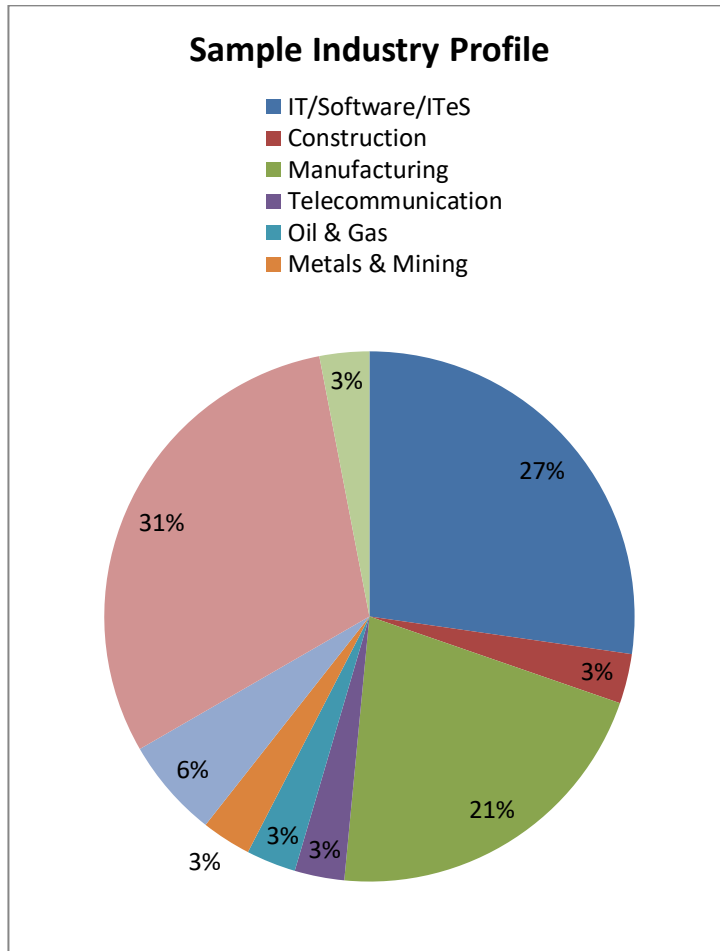
- L&T offers a special medical insurance scheme to its employees wherein all their medical expenses including expenses incurred by the family members are covered. Parents aged upto 85 years are covered under this scheme.
- M&M too provides a similar medical insurance scheme to employees which cover the in-laws of the employees as well.
- Tata motors have several healthcare benefit plans for its employees. Apart from the normal medical insurance scheme which includes free medical facility for the employees, there is a post-retirement medical scheme which extends such benefits to employees even after they have retired or forced to retire due to physical disablement. Tata Motors has started a Bhavishya Kalyan Yojna which is an unfunded benefit plan. The benefits are accrued to employees who are permanently disabled while in service, either as a result of an injury or as certified by the Company's Medical Board. The monthly payment to dependents of the deceased / disabled employee under the plan equals 50% of the salary drawn at the time of death or accident or a specified amount, whichever is higher. The Company accounts for the liability for BKY benefits.
- Nokia too provides healthcare benefits to its employees. Nokia aims to maintain and improve the working environment and well-being of its employees by offering medical check-ups, counseling and insurance programs to the employees.

13. PRIMARY RESEARCH CONDUCTED

The study was conducted in first half of 2022 at Chennai city in Tamil Nadu. All employees were at least 22 years old with at least 01 year of job experience. Primary Research was focused on understanding the role of employee healthcare benefits in job satisfaction and to understand how employees from different sector of different gender, marital status and experience perceive healthcare benefits. We also solicited recommendations from the employees. We also tried to test the perception about flexible healthcare benefits.

Sample profile:

The number of respondents for survey was 400 respondents across various sectors



Companies Selected (not an exhaustive list):

- IT/ITeS/Software – Netapp, TCS, Wipro, Infosys, Computer Sciences Corporations
- Construction – IRCON
- Metals & Mining – Tata Steel
- Manufacturing – M&M, Maruti, Tata Motors, Nokia, Larsen & Tuobro
- Telecommunication - Amdocs
- Oil & Gas – BPCL
- Banking – United Bank, Morgan Stanley
- Media – Star Group

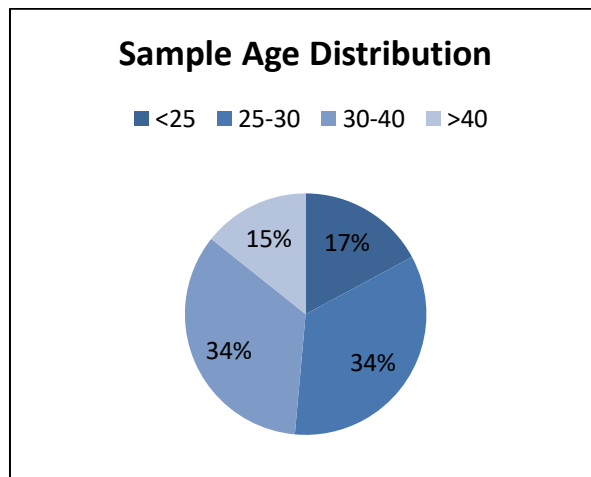


Fig. Sample Distribution by Age

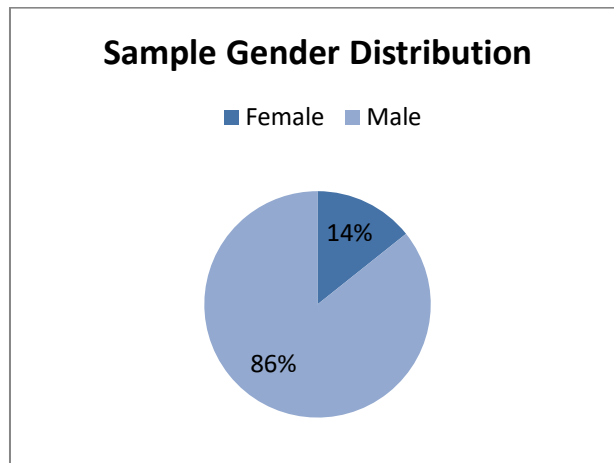


Fig. Sample Distribution by Gender

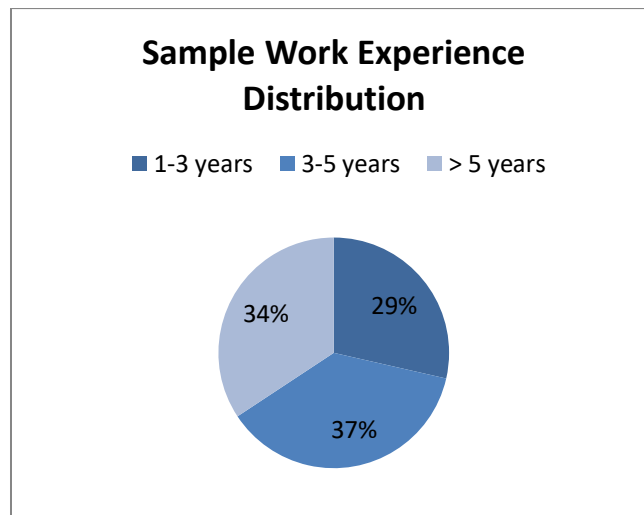


Fig. Sample Distribution by Work Experience

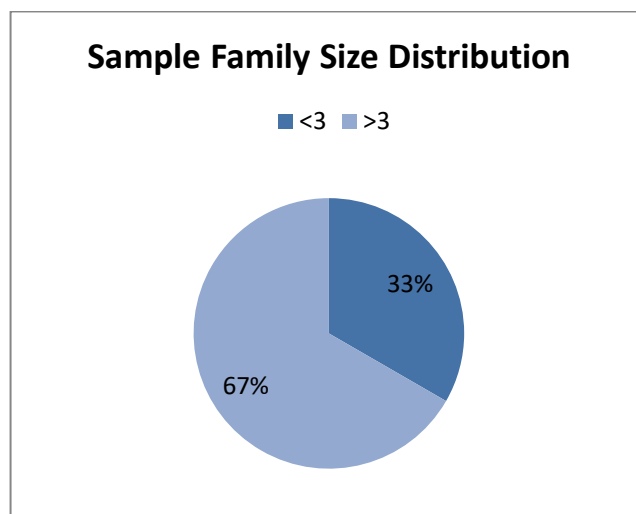


Fig. Sample Distribution by Family Size

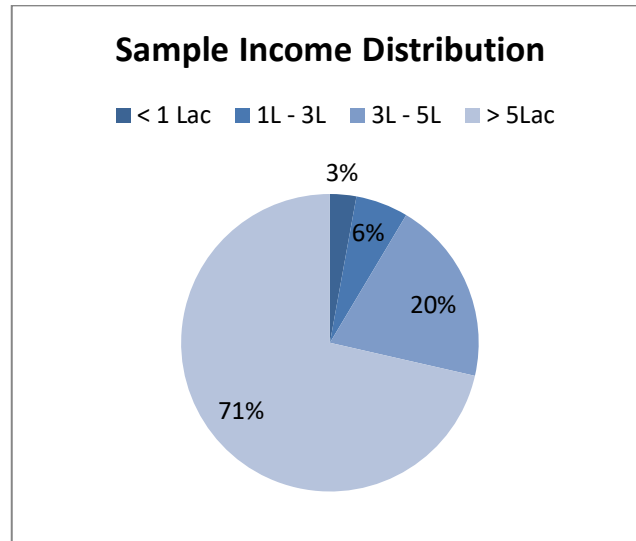


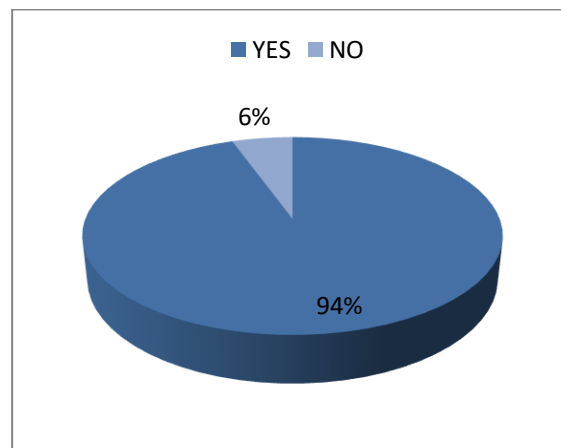
Fig. Sample Distribution by Age

14. ANALYSIS ON RESPONSES OBTAINED

We have performed the statistical analysis for the key survey questions and has helped us at arriving at important conclusions

Q: Would it be a disappointing factor in case your company doesn't offer competitive HCB?

- Age Group: 34-45 years** (YES % = 0.94444, NO % = 0.05555)



Proceeding with the hypothesis that the observed percentage resembles the total population characteristics, we have subjected the hypothesis to the t-test at 95% level confidence level.

Population mean = (sample mean, u) \pm (t-value at 95% confidence level) * (S.D./sqrt(n))

Where S.D = standard deviation of the sample

$$= \text{sqrt} (u*(1-u)/n)$$

t-value = 1.6896 for 95% confidence level

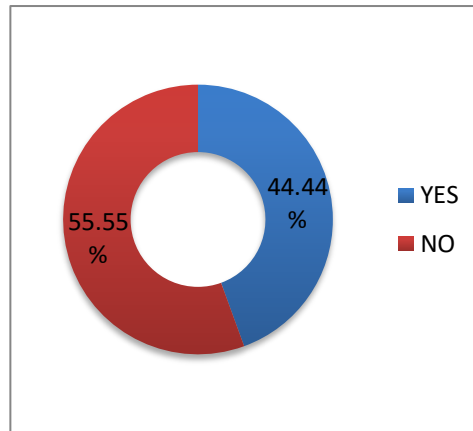
Therefore,

$$\text{Population mean} = 0.9444 \pm 0.0647$$

Since the data was retrieved mostly from service based industries, we can infer from the above analysis that the average response to the above question in a service organization can vary from **87.97% to 100%**.

Q: When you switch your job, are the HCBs one of the influencing factors?

1. **Age Group: 34-45 years** (YES = 44.44%, NO = 55.55%)



Applying the same t-test for population parameters (mean):

$$\text{Population mean} = (\text{sample mean, } u) \pm (\text{t-value at 95\% confidence level}) * (\text{S.D}/\text{sqrt}(n))$$

Where S.D = standard deviation of the sample

$$= \text{sqrt} (u*(1-u)/n)$$

t-value = 1.6896 for 95% confidence level

Therefore,

$$\text{Population mean} = 0.4444 \pm 0.1399$$

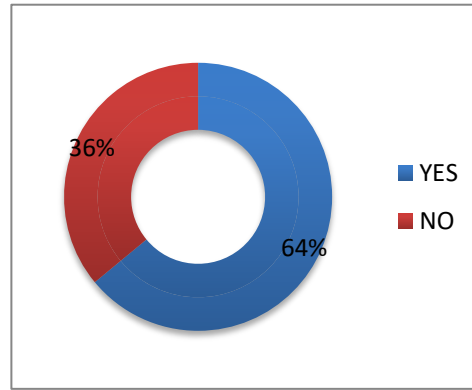
Since the data was retrieved mostly from service based industries, we can infer from the above analysis that the average response to the above question in a service organization can vary from **30.45% to 58.43%**.

15. CONCLUSION

From the above two questionnaire, we can infer that Health care benefits are similar to hygiene factors in case of improving the employee morale. Because, out of the respondents surveyed, 94.44% replied that lack of competitive HCB from their employer can be a disappointment factor. However, this disappointment was hardly been one of the influencing factors for employees turnover, as it is evident from the second questionnaire that only 44.44% of the respondents think so. However, the demographics change the response completely, because the above responses were recorded only for the age group 34-45 years. The respondents in the age group 24-32 replied that they hardly care about their health care benefits offered by their employer.

Q: Do you think the new benefits that you have mentioned make you concentrate more on your work and build the long lasting relationship with the employer?

FEMALE Employees:

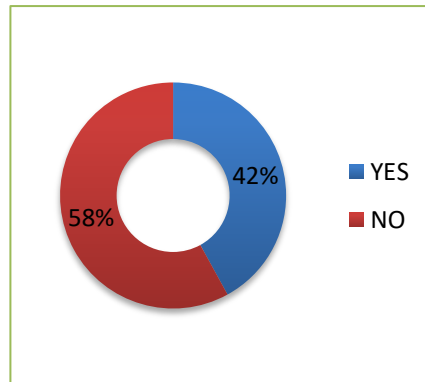


Subjecting the hypothesis to t-test with 95% confidence level:

Population mean = (sample mean, \bar{u}) \pm (t-value at 95% confidence level) * (S.D/sqrt(n))

Population mean = 0.64 ± 0.1351

MALE Employees: (YES = 42% and NO = 58%)



Subjecting the hypothesis to t-test with 95% confidence level:

Population mean = (sample mean, \bar{u}) \pm (t-value at 95% confidence level) * (S.D/sqrt(n))

Population mean = 0.42 ± 0.0822

16. CONCLUSION

Among Women employees, a maximum of 77.51% probability that the benefit can get translated in to organizational benefits. However, among Men, the same probability is calculated to be 50.22%, implying that organizations can motivate women employees more with health care benefits.

17. OBSERVATION BASED ON PRIMARY RESEARCH FOR PROJECT

Based on the primary research conducted, we arrive at the following conclusion:

- Employees were not happy with the complexity of the processes and procedures to avail healthcare benefits. They wanted less amount of paperwork and faster processing of the reimbursement and insurance claims.
- Employees now prefer a complete health care plan for their family to protect them from Lifestyle diseases and Covid-19 pandemics.
- Currently the coverage of the hospitals and nursing home under the healthcare benefit umbrella for many organizations are very limited. The cover should be extended to wider network of hospitals. In case of government organization the coverage should be extended to private hospitals in addition to public bodies
- Many employees asked for wider coverage of healthcare benefits. With the changing nature of society the cover should be extended to spouse parents. There should be a flexibility in the cover for choosing the dependent members e.g. number of dependent members can be

fixed and who they should be can be decided by the employee. Also, number of dependent members can increase as one progress in organization.

- Changing lifestyles should also be considered in the healthcare benefits. Treatments like dental care should be included in the benefit package, according to many employees.
- Employees expected preventive action in the form of annual checkups, fitness programs like yoga, nutrition consulting etc. to be incorporated in the organizational routine
- Most of the respondents liked the idea of the flexible healthcare benefits in which the benefits could be traded for other allowances or the components of the benefits can be customized on the basis of the requirements even with slight reduction in overall benefits

18. CONCLUSION & RECOMMENDATIONS

Employee health care benefits have become a critical component of organizations which influence employees to a degree in this era. The objective of our study was to understand employee perception towards the health care benefits in their respective organizations and to understand the differences in employee perception towards health care benefits across various industries and demographics. The methodology that was followed was to frame the objectives, followed by detailed secondary research and sample selection, followed by primary research (data collection) and finally analyzing the data quantitatively and qualitatively to make some conclusions.

The secondary research was done by going through various company websites, data from the internet and referring various journals and industry reports. The secondary research gave insights into the different types of health care benefits offered in organizations in India and how those benefits varied across private/public sector. The secondary research also provided insights into various laws and regulations in the country vis-à-vis United States regarding health care benefits. It also gave insights into key trends as well as potential trends in the organized sector in India regarding health care benefits.

The sample selection was a representative one where a host of sectors were selected and data from sufficient number of respondents from each of these sectors were collected. The sectors selected varied from IT/Software to manufacturing to banking sector. Demographics of the sample data was also taken into account like age, gender, family size and income.

Finally data analysis was done which included qualitative and quantitative aspects as well. The qualitative aspects included insights into the responses from employees from these sectors. The qualitative analysis included some very interesting insights – like employees were not happy with the complexity of the current processes and the amount of paperwork involved, employees felt that the health care coverage was limited to a number of hospitals and additionally some organizations did not cover parents or spouses depending on the marital status etc. The quantitative analysis was done by framing a number of hypotheses about the influence of health care benefits on the employee satisfaction and motivation and the relationship of the employees with their employers. From the observed sample responses, appropriate quantitative tests like t-test was done to analyze those hypotheses and appropriate conclusions made.

Hence based on all the analysis that has been done, we can make few concrete conclusions like

- (a) The health care benefits cannot be ignored when considering employee relationships with their employers in organizations. Health care benefits are important for employee retention, satisfaction, protection in pandemic and motivation.
- (b) The health care benefits varied across sectors and organizations in terms of coverage, processes and employee perception towards them
- (c) Employees felt that these processes were complicated and involved a lot of paperwork which was not good, hence organizations need to look at them and improve operational efficiency when dealing with such benefits
- (d) The coverage which organizations give are very limited in terms of the coverage type, amount covered and number of hospitals under the coverage. Employees felt that the number of hospitals needs to be increased.
- (e) Flexible health care benefits are a good option for employees in organizations. The flexi-health care options are something employees had favourable response and something they were willing to try out. The flexible health care options include trading off compensation and perks for extra health care benefits. Health care benefits also can be customized to suit the employee needs, however a trade off needs be done between complexity of customization to meet employee aspirations.

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19. SURVEY QUESTIONNAIRE

Name:	Designation:	Age:	Employment experience:
Employer: Industry:	Sex (M/F):	Family size:	Income:

- Are you aware of the existing health care benefits offered by your employer?
 - fully aware
 - Partially aware
 - Don't care

17. Did your company health care covered covid treatment?

a. YES

b. NO

18. Did you satisfied after getting treatment of covid by your health care plan (like oxygen, medicines and hospitalization)

Least Satisfied	1	2	3	4	5	Highly Satisfied
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19. Did these health care benefits covered your entire family in covid treatment

a. YES

b. NO

Any recommendation on the existing HBs in your company?