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A COMPARATIVE STUDY ON POLICYHOLDERS' SATISFACTION TOWARDS HEALTH INSURANCE POLICIES OFFERED BY PUBLIC AND PRIVATE HEALTH INSURANCE COMPANIES

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ABSTRACT.

This comparative study examines policyholders' satisfaction with health insurance policies offered by public and private health insurance companies in Mangalore city, India. Health insurance plays a critical role in providing financial protection against medical expenses. Public insurers, typically government-owned, and private insurers, operated by private entities, differ in policies, customer service, and overall satisfaction levels. Through a survey of 160 respondents, findings reveal significant differences in service accessibility and customer service satisfaction, with private insurers outperforming public ones. The study offers recommendations to enhance service quality and customer satisfaction in both sectors.

Keywords: Health insurance, policyholders' satisfaction, public health insurance, private health insurance, service accessibility, customer service

INTRODUCTION :

Health insurance is an essential component of the healthcare system, providing financial protection to policyholders against unforeseen medical expenses. In Mangalore city, as in other parts of India, health insurance is offered by both public and private sector companies. Public health insurance companies are typically government-owned entities, while private health insurance companies are owned and operated by private organizations. Both sectors aim to provide comprehensive health coverage, but they may differ in terms of policies, customer service, claim settlement processes, and overall policyholder satisfaction.

Policyholder satisfaction is a crucial indicator of the effectiveness and quality of health insurance policies. It influences policy renewal rates, customer loyalty, and the overall reputation of the insurance provider. Despite the importance of satisfaction, there is limited research on how public and private health insurance companies compare in terms of policyholder satisfaction in Mangalore city. This study aims to fill this gap by conducting a comparative analysis of policyholder satisfaction between these two sectors.

This research is significant for several reasons:

- **Policyholders:** The findings will help current and potential policyholders make informed decisions regarding their choice of health insurance providers.
- **Insurance Companies:** Public and private health insurance companies can use the insights from this study to improve their services and address areas of dissatisfaction.
- **Policy Makers:** The results can guide policy makers in designing regulations and policies that enhance the overall effectiveness of the health insurance sector.

LITERATURE REVIEW :

certain factors such as general knowledge of the health insurance scheme and awareness of monetary contributions greatly influenced enrollee's satisfaction with health care delivery. Ways of creating better knowledge of health insurance activities among the population were given top priority by both the policy and decision-makers, which previously were insufficient until this stage (middle) of implementation. These formed a major part of considerations in the amended medium-term strategic plan of operations of the NHIS.[1]

With the rapid expansion of the Indian health insurance sector come new issues and challenges.

Increased discretionary money brought on by rising healthcare expenses is associated with greater systemic synergy. In a nation with significant out-of-pocket expenses, the only way to pay for healthcare is through a system of health insurance. India is a protected country.[2]

Health insurance is a medical insurance given by an insurance company, wherein it reimburses the medical expenses incurred for a valid hospitalization. The Indian health insurance industry is increasing at a wild bound and so are the issues and challenges related to carrying in interaction within the system.[3]

RESEARCH OBJECTIVES

- To examine the policyholders' expectations and level of satisfaction towards the services rendered by public and private sector health insurance companies.
- To Identify key differences in service delivery and policy offerings between public and private health insurance sectors to recommend strategies for enhancing customer satisfaction and service quality in both sectors.

HYPOTHESIS

H₀: There is no difference in the satisfaction level of policyholders in public and private sector health insurance companies.

H₁: There is a significant difference in the satisfaction level of policyholders in public and private sector health insurance companies.

METHODOLOGY AND RESEARCH DESIGN

The methodology and design adopted for the study is as follows:

Area of Study: The study has been conducted in Mangalore city having a population of more than nine lacs. Mangalore is known as one of the best experiments in urban planning and modern architecture in the twentieth century in India.

Period of the Study: The present research study is related to "A Comparative Study on Policyholders' Satisfaction Towards Health Insurance Policies Offered by Public and Private Health Insurance Companies". The survey lasted for about two months.

Data Collection: This study is based on questionnaire methods. Primary data were collected from men and women respondents living in Mangalore city. People from all walks of life were contacted. The total number of respondents was 160. The researchers have covered policyholders from the public sector and private sector insurance companies.

Sampling: A sample of 160 customers has been selected using a convenient sampling method. The data has been interpreted satisfactorily whenever and wherever needed.

PUBLIC AND PRIVATE HEALTH INSURANCE COMPANIES IN MANGALORE

In Mangalore, like in many other parts of India, both public and private health insurance companies play significant roles in providing healthcare coverage. Here's a brief overview:

Table No :1: Comparison summary of characteristics of Public and Private Health Insurance Companies

Characteristics	Public Health Insurance Companies	Private Health Insurance Companies
Service Accessibility	Broader, including underserved areas	Focus on urban and affluent areas
Policy Offerings	Standardized, less flexible	Flexible, customizable, and comprehensive
Customer Service	Less personalized, slower response times	Personalized, faster response times
Premiums and Costs	Lower premiums, subsidized	Higher premiums, additional benefits
Claim Settlement	Transparent, slower due to bureaucracy	Efficient, quicker due to streamlined processes
Network Hospitals	Extensive network of public hospitals	Network of private hospitals and specialty clinics
Awareness and Education	Part of public health campaigns	Extensive marketing and digital platforms

Table No :2: Table showing policyholders' satisfaction towards services offered by Public and Private Health Insurance companies.

Characteristics	Public Health Insurance Companies		Private Health Insurance Companies		T - Value
	Mean	SD	Mean	SD	
Service Accessibility	3.4	2.89	4.5	3.4	-3.157
Policy Offerings	3.2	4.69	4.3	4.1	-0.747
Customer Service	1.8	4.02	4.7	4.1	-5.788
Premiums and Costs	4.1	2.83	4.2	3.4	-0.181
Claim Settlement	4.2	2.29	4.3	4.2	-0.273
Network Hospitals	3.5	2.89	4.6	4.1	-2.121
Awareness and Education	3.4	3.2	3.7	2.0	0.777

INTERPRETATION AND RECOMMENDATIONS

1. Service Accessibility:

- **Interpretation:** There is a significant difference in service accessibility ratings between public and private health insurance companies, with private companies (Mean = 4.5) having significantly higher satisfaction scores compared to public companies (Mean = 3.4).
- **Recommendation:** Public health insurance companies should focus on improving accessibility to services. This could involve expanding their network of service providers, enhancing digital platforms for service access, and improving coordination between healthcare providers and insurance services.

2. Policy Offerings:

- **Interpretation:** There is no significant difference in policy offerings satisfaction between public (Mean = 3.2) and private (Mean = 4.3) health insurance companies.
- **Recommendation:** Both public and private insurers should continue to innovate and diversify their policy offerings. Public insurers might consider introducing more flexible and customer-centric policy options to compete with private insurers.

3. Customer Service:

- **Interpretation:** There is a significant difference in customer service satisfaction between public (Mean = 1.8) and private (Mean = 4.7) health insurance companies, with private companies clearly outperforming public ones.
- **Recommendation:** Public insurers should prioritize enhancing their customer service strategies. This includes investing in training for customer service representatives, implementing efficient complaint resolution mechanisms, and leveraging technology to improve customer interaction and satisfaction.

4. Premiums and Costs:

- **Interpretation:** There is no significant difference in satisfaction with premiums and costs between public (Mean = 4.1) and private (Mean = 4.2) health insurance companies.
- **Recommendation:** Both sectors should maintain competitive pricing strategies while ensuring transparency in cost structures. Public insurers could explore cost-saving measures through operational efficiencies to potentially offer more competitive premiums.

5. Claim Settlement:

- **Interpretation:** There is no significant difference in satisfaction with claim settlement between public (Mean = 4.2) and private (Mean = 4.3) health insurance companies.
- **Recommendation:** To maintain customer trust, both public and private insurers should continue to streamline their claims processing systems. This includes reducing processing times, enhancing transparency in claim decisions, and providing clear communication throughout the settlement process.

6. Network Hospitals:

- **Interpretation:** There is a significant difference in satisfaction with network hospitals between public (Mean = 3.5) and private (Mean = 4.6) health insurance companies, with private companies having higher satisfaction scores.
- **Recommendation:** Public insurers should expand their network of affiliated hospitals and healthcare providers. Strengthening partnerships with reputable hospitals and clinics can improve access to quality healthcare services for policyholders.

7. Awareness and Education:

- **Interpretation:** There is no significant difference in awareness and education about health insurance policies between public (Mean = 3.4) and private (Mean = 3.7) health insurance companies.
- **Recommendation:** Both sectors should prioritize educating consumers about the benefits and coverage options of health insurance policies. This could involve conducting informative campaigns, workshops, and leveraging digital platforms to enhance public understanding and confidence in insurance products.

Overall Recommendations:

- **Enhance Service Accessibility:** Public insurers should invest in expanding service access points and improving digital interfaces for smoother service delivery.
- **Improve Customer Service:** Public insurers must focus on training staff and upgrading customer service processes to match or exceed private sector standards.
- **Innovate Policy Offerings:** Both sectors should innovate with flexible policy options to cater to diverse customer needs and preferences.
- **Maintain Competitive Costs:** Ensure pricing remains competitive while maintaining quality service and coverage standards.
- **Streamline Claim Processes:** Simplify and expedite claim settlement processes to enhance customer satisfaction and trust.
- **Expand Network Partnerships:** Public insurers should strengthen partnerships with a broader network of hospitals and healthcare providers to improve service access.

- **Educate and Inform:** Continuous efforts to educate the public about insurance benefits and coverage options can enhance consumer awareness and satisfaction.

By implementing these recommendations, both public and private health insurance companies can enhance their competitive edge, improve customer satisfaction, and foster long-term loyalty among policyholders. These efforts are crucial in a competitive market where customer experience and service quality play pivotal roles in decision-making and retention.

CONCLUSION :

In conclusion, while private health insurance companies generally excel in customer service and network hospital satisfaction, public insurers have opportunities to improve service accessibility and customer service strategies. Both sectors can benefit from leveraging their strengths and addressing areas for improvement to enhance overall policyholder satisfaction and competitiveness in the health insurance market. By implementing these recommendations, insurers can foster greater trust, loyalty, and satisfaction among their policyholders, thereby contributing to a more robust and customer-centric healthcare insurance landscape.

LIMITATIONS OF THE STUDY :

There is no research study without limitations. There are a few limitations in the present study These limitations are discussed as follows:

- The researcher believes that the result of this study may be limited in terms of generalization because it refers only to a single city and this extinguishes the opportunity of making comparisons and generalizing to the other parts of the country.
- The sample of the study consisted of only 160 respondents due to time constraints.

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