



ROLE OF HEALTH INSURANCE POLICY ON RURAL PEOPLE IN TAMIL NADU

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Abstract

Most of the People in Tamil Nadu live in rural area. Majority of them are too poor to afford health care services by their own pocket. These people cannot afford general health insurance policies. Health Insurance Scheme for Life saving Treatment' is one of the innovative health insurance schemes introduced by Tamil Nadu Government for Below Poverty Line (BPL) families. The scheme is indented to provide quality medical care by providing financial protection against high medical expenses for Below BPL. The Scheme was started in 2009 June and at present covers 1.40 corers of BPL families. The Government of Tamil Nadu is considered as one of the best performing welfare states in India. In addition to the wide public health delivery system, the Government of Tamil Nadu presently sponsors two insurance schemes namely, Chief Minister's Comprehensive Health Insurance Scheme and New Health Insurance Scheme. Conscious efforts of the government to enhance the health status of poor have made a very good impact on improving their standard of living. Access to private healthcare service for the poor is another important benefit of the scheme.

The Data required for the study has been collected from both the primary and secondary sources. The primary data collection made through structured questionnaire. The opinions of 30 respondents were considered for the analysis. Through this analysis it was found that Conscious efforts of the government to enhance the health status of the people resulted in improving their standard of living.

Key Words: *Health Insurance, Policies, Rural, Government Sponsored Health Insurance Schemes.*

INTRODUCTION

The habitudes of patient and disease, the crises of the ill:

These must be learned leech think over well, then use his skill.

~ Thirukkural

The health of the people in the State is an essential component of development, vital to the economic growth and internal stability of the State. Assuring a minimal and universal level of health care to the population is a critical constituent of the development process. Human Development Index consists of three components namely Education, Life Expectancy at Birth and Command over Resources i.e. purchasing power parity. The healthier the population, the more will be the Index Value. Loss of health is most often irreversible and the potential loss of output for the individual cannot be compensated. Considerable achievements have been made over the last six decades to improve health standards such as Life Expectancy, Child Mortality, Infant Mortality and Maternal Mortality. The strong link between poverty and ill health needs to be recognised. Ill health and morbidity create immense stress even among those who are financially secured. High health care costs can lead to impoverisation or exacerbation of poverty. The importance of public provisioning of quality health care at affordable costs and provision of reliable health services cannot be underestimated.

Health makes education possible and vice versa. Education of women delays age at marriage improves knowledge of contraceptives and enhances their status in society. Considering the above facts, the Government of Tamil Nadu has been bestowing more attention on female education and focused health care. The Government's principal health policy is to ensure "Health for all" and universal guarantee of basic health and education. In Tamil Nadu, both public and private sector hospitals have been catering to the health care requirements of the public. The State's objective is to ensure that health care services are rendered with the core principles of accessibility, equity, excellence and affordability by building a wide health care network throughout the State. The delivery mechanism provides curative, preventive and rehabilitative care.



LITERATURE REVIEW

Banerjee et al. (2009) find that out-of pocket health expenditure represents about 10% of total household expenditure among slum dwellers in Hyderabad, India.

Ippolito (1992) says that fund/scheme selection by investors is based on past performance of the funds and money flows into winning funds more rapidly than they flow out of losing funds

Omar and Frimpong (2006) stressed the importance of life insurance and regarded it as a saving medium, financial investment, or a way of dealing with risks

Black and Skipper (2000), is of opinion that life insurance becomes the mechanism to ensure a continuous stream of income to the beneficiaries. The two main services provided by life insurance: income replacement for premature death and long-term savings instruments.

Rajkumari (2007) in her study undertaken to identify the customers' attitude towards purchase of insurance products concludes that there is a low level of awareness about insurance products among customers in India.

Browne et al. (1993) has studied based on 45 countries for two separate time periods (1980 and 1987) concluded that income and social security expenditures are significant determinants of insurance demand, however, inflation has a negative correlation.

Dupas & Robinson (2009) Using detailed diaries kept by rural households in western Kenya, find that health expenditure represents 8% of total household expenditure.

Shen & McFeeters 2006, Cunningham 2009 has identify to give some perspective, in the United States, out-of-pocket health expenditure, excluding insurance premiums, is typically considered unaffordable if it is more than 5% of family income.

IMPORTANCE OF THE STUDY

The growth of health insurance in India requires a better understanding of the perceptions of healthcare providers and the stakeholders. Given the lack of affordability of the poor, low penetration of health insurance, any attempt towards attaining the universal healthcare should be necessarily undertaken. The problems at the grass root level should be identified and cured at the infant stage itself. Merely because of the fact that the insurance premium is subsidized by the Government, the ultimate beneficiaries should not be deprived of the due benefits. Thus it is very important to study the Government sponsored health insurance schemes at this juncture. So the present study is undertaken to identify the extent of satisfaction about the CMCHIS.

CHIEF MINISTER'S COMPREHENSIVE HEALTH INSURANCE SCHEME (CMCHIS)

Quality healthcare comes at a cost that is unaffordable for the economically weaker sections of society. One way to address this is to provide free healthcare in Government hospitals. But sometimes treatment is not possible at district and subdistrict hospitals. Furthermore, the demand for advanced healthcare leads to long waitlists for emergency and life saving surgeries. To address these challenges and ensure availability of advanced healthcare, the Government of Tamilnadu introduced a scheme called the "Chief Minister Kalaingar Insurance Scheme for life saving treatments" on 23rd July 2009. This scheme is for the poorest of the poor/low income/unorganised groups who cannot afford costly treatment, as a supplementary facility for getting free treatment in empanelled Government and private hospitals for such serious ailments. On January 11, 2012, the Chief Minister's Comprehensive Health Insurance Scheme aimed at benefiting 1.34 crore families was launched. Any family whose annual income is Rs.72,000/or less, members of unorganised labour welfare boards, and the spouse, children and dependent parents of such members in urban and rural areas are eligible. All Government servants, civil pensioners, ESI beneficiaries and families having an annual income of more than Rs. 72,000 /but not members of any unorganised sectors welfare boards are not eligible under this scheme.



Under the scheme, the sum assured for each family would be Rs.1 lakh every year for a total period of four years and for a total value of Rs. 4 lakh. In the case of certain procedures, the ceiling would be raised to Rs.1.5 lakh per annum. No fewer than 250 hospitals would be empanelled under the scheme. At least six hospitals in each district would be covered. There would be more hospitals in cities such as Chennai, Coimbatore and Madurai. The scheme would cover 1,016 procedures, 113 follow up procedures and 23 diagnostic procedures. The cost of tests required for treatment would also be part of the insurance cover.

PRESENT STUDY

CMCHIS has completed its fourth year. It has been projected as one of the most prestigious health insurance scheme of the Tamil Nadu Government. Many times the scheme has been recognized as a viable model of health insurance for the poor. Unlike many other similar schemes like Rajiv Aarogyasri Health Insurance Scheme of the state of Andhra Pradesh or Yeshasvini Health Insurance Scheme for rural farmers and peasants in Karnataka, Chief Minister's Comprehensive Health Insurance Scheme is unique for its modality of operations. Though evaluation of such health schemes is a more complex (Mackenzie et.al.2010), such exercise may sharpen the conceptual framework of such schemes and enable to implement effectively. The present study has been conducted among the beneficiaries of the scheme in the district of Cuddalore.

OBJECTIVES OF THE STUDY

1. To over view the profile and general performance of beneficiaries of Chief Minister's Comprehensive Health Insurance Scheme in Cuddalore District, Tamil Nadu.
2. To find out the importance of Chief Minister's Comprehensive health insurance in Cuddalore District, Tamil Nadu.
3. To critically analyze the impact of the Chief Minister's Comprehensive Health Insurance Scheme in Cuddalore District, Tamil Nadu.

HYPOTHESIS TESTED

H₀: There is no significant difference between monthly incomes of the respondents.

H₁: There is significant difference between monthly incomes of the respondents.

METHODOLOGY OF THE STUDY

The nature of the study is descriptive analytical research. The Data required for the study has been collected from both the primary and secondary sources. Primary data has been collected from beneficiaries of Chief Minister's Comprehensive Health Insurance Scheme in Cuddalore District by issuing questionnaires and getting it filled by them. The collected data was classified and analysed cautiously. Questionnaire is constructed, in such a way objectives are clear to the respondents. In this research, the questionnaire was formed as a direct and structured one. All questions in questionnaire were close ended questions. Open-ended question has been used only for deriving suggestions from the respondents. The method used for collecting requisite data is "Convenience Sampling", which is a type of non-probability sampling technique. Secondary data for this study was collected from various economic and statistics books, journals, newspapers, magazines and website.

Research Design: The research design is to meet out the objective. The research study has carried out at Cuddalore district in Tamilnadu State. The sampling unit of the study is beneficiaries of Chief Minister's Comprehensive Health Insurance Scheme. The sampling technique used to collect facts is convenience sampling. The number of samples taken for research study is 30 respondents. The data has been collected through structured questionnaire.

SAMPLE SIZE

30 individual beneficiaries of Chief Minister's Comprehensive Health Insurance Scheme were interviewed by scheduled method through convenience sampling method.



TOOLS AND TECHNIQUES OF DATA ANALYSIS

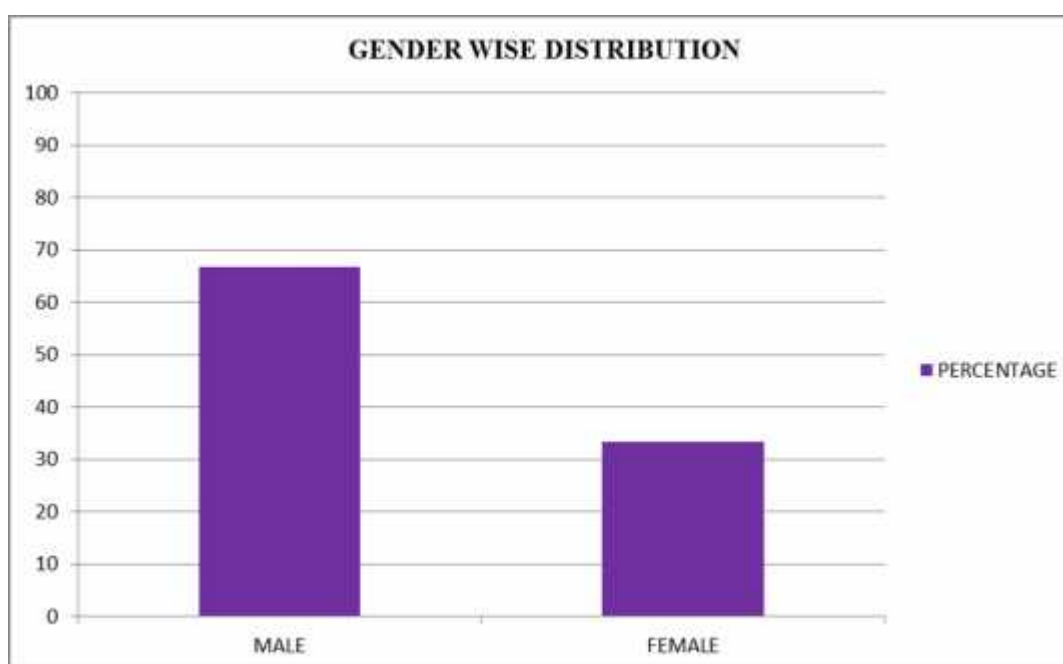
The Statistical Analysis carried out in the study is being done using MS-Excel and SPSS (Statistical Package for Social Science) Software. The Statistical techniques like: percentage, average, mean, standard deviation and ANOVA-test. Analysed & interpreted data have been presented in the form of tables, charts and figures.

DATA ANALYSIS AND INTERPRETATION

Table 1, Gender of the selected beneficiaries

classification	No. of respondents	Percentage
Male	20	66.67
Female	10	33.33
Total	30	100.00

Source: Field survey.



Inference

The above charts explore regarding the Gender wise beneficiaries of Cuddalore district towards Chief Minister's Comprehensive Health Insurance Scheme. In Cuddalore district, out of 30 respondents, 20(66.67%) were Male and 10(33.33%) were Female.

Table- 2, Average monthly income of the selected beneficiaries

classification	No. of respondents	Percentage
Less than3000	9	30.00
3001-5000	14	46.67
above5000	7	23.33
Total	30	100.00

Source: Field survey.



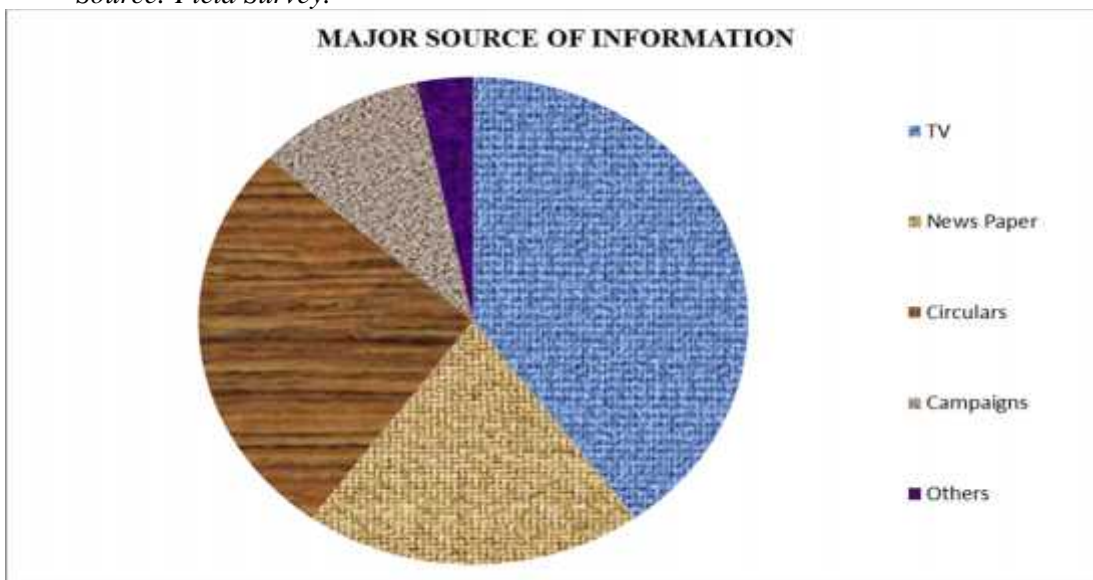
Inference

The above chart depicts that regarding the Income-wise distribution of the households shows that 14(46.67%) of the respondents were in the income group between Rs.3001 - Rs.5000 (46.67%), 30 % is less than Rs.3000 and 23.33 % were having income more than Rs.5000.

Table -3, the major source of information about the scheme

classification	No. of respondents	Percentage
TV/Radio	12	40.00
News paper	6	20.00
Circulars in the hospitals	8	26.67
Campaigns by hospitals	3	10.00
other sources	1	3.33
Total	30	100.00

Source: Field Survey.





Inference

Regarding the details of the selected respondents, as is noticed in the above chart, it is observed that major source of information about the scheme is mainly through TV/radio (40%) and Circulars in the hospitals (26.67%). This is followed by news paper advertisements (20%), Campaigns by hospitals (10%) and other sources (3.33%).

Table- 4, Major diseases for which the beneficiaries seek hospitals

classification	No. of respondents	Percentage
Heart Problem	10	33.33
Cancer Problem	12	40.00
Ortho Problem	2	6.67
Kidney Problem	5	16.67
Eye Problem	1	3.33
Total	30	100.00

Source: Field survey.

Inference

Table no.4 depicts the Major diseases for which the beneficiaries seek hospitals were cancer (40%), Heart problem (33.33%), kidney stone (16.67%), ortho related problems (6.67%) and eye problems (3.33%).

Table -5, Satisfied with the service offered by the hospital and scheme

Classification	No. of Respondents	Percentage
Highly satisfied	23	76.67
satisfied	7	23.33
Total	30	100.00

Source: Field survey.

Inference

A closer Observation of the table no. 5 shows that Opinion regarding the hospital services is grouped into highly satisfied (76.67%) and satisfied (23.33%). Majority were highly satisfied with overall healthcare services and the benefits of the scheme.

ANOVA TEST						
Source of Variation	SS	df	MS	F	P-value	F critical
Between Groups	96	1	96	13.71429	0.020776	7.708647
Within Groups	28	4	7			
Total	124	5				

Source: Computed.

Inference

From above table, it is clear that calculated value of Anova-test is greater than table value ($13.71 > 7.70$) at 5% level of significance. Therefore null hypothesis is rejected, alternate hypothesis accepted. It can be completed that there is a significance relationship between incomes.



DISCUSSIONS

The Chief Minister's Comprehensive Health Insurance Scheme (CMCHIS) for the poor people of Tamil Nadu is reported as a good intervention strategy to address health issues of the state. Such steps has been highly benefited to those people who suffer from life threatening diseases like cancer, kidney related problems etc. This is evident from the number of cases reported. Respondents are generally satisfied with the service of the hospitals and no charges were imposed at any stage of diagnosis or treatment, though there are few exceptions. As a result, many hospitals could attract people from BPL categories. Private hospitals generally welcome these initiatives. Hospital facilities are matched with the expectations of the patients. Opinion about hospital services was also rated as good. Accessibility of private health care services by poor was a distant dream. The efforts of the State Government in this regard are appreciable. Definitely this will have long term impact of the health status of the people in the State. However there are also areas of concern especially about the sustainability of the programme.

CONCLUSION AND SUGGESTIONS

Chief Minister's Comprehensive Health Insurance Scheme is an innovative health insurance scheme to provide medical care to people of Tamil Nadu under BPL categories. The study gives ample evidences of the success of the programme. Conscious efforts of the government to enhance the health status of the people resulted in improving their standard of living. Accessing private healthcare service for the poor makes the scheme more attractive. Though overall the scheme is attractive, there are also concern about long term sustainability, especially at a time when medical cost increases. Funding for such schemes needs to be explored further. Creating a corpus fund may be an ideal choice in this regard.

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