SUMMER PROJECT REPORT

"**Detail study of Health Insurance**."

Submitted to:

Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur

Submitted by:

Pranchal Dhanraj Borkar

Company Guide:

Mr. Sameer Deshpande

Faculty Guide:

Dr. Geeta Naidu Maam

Department of Management Sciences and Research, G.S. College of Commerce & Economics, Nagpur NAAC Accredited "A" Grade Institution

Academic Year 2020-21

CERTIFICATE

This is to certify that the investigation described in this report titled "**Detail study of Health Insurance"** has been carried out by **Ms. PranchalDhanrajBorkar**during the summer internship project. The study was done in the organisation, **Guarang Insurance Marketing and Wealth Management Pvt Ltd,** in partial fulfillment of the requirement for the degree of Master of Business Administration of **R. T. M. Nagpur University, Nagpur.**

This work is the own work of the candidate, complete in all respects and is of sufficiently high standard to warrant its submission to the said degree. The assistance and resources used for this work are duly acknowledged.

Dr. AshwiniPurohit

(Director)

CERTIFICATE

GAURANG INSURANCE MARKETING & WEALTH MANAGEMENT PVT. LTD.

Date: 03/10/2020

TO WHOMSOEVER IT MAY CONCERN

This is to certify that **PRANCHAL BORKAR** , a student of **DEPARTMENT OF MANAGEMENT SCIENCE AND RESEARCH , G. S COLLEGE OF COMMERCE & ECONOMICS ,NAGPUR**, has successfully completed 45 days long internship in Survey and Marketing of Health Insurance at Nagpur with A grade. During the period of her internship program with us she was found punctual, hardworking and inquisitive.

We wish her every success in life.

Gaurang Insurance, Marketing & Wealth Management Pvt. Ltd. Nagpur

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info@gimwealth.com, samirydeshpande@gmail.com Mob.:9422113800, 0712-2245151
www.gimwealth.com

ACKNOWLEDGEMENT

It is a matter of pride and privilege for me to have done a summer internship project in **"Guarang Insurance Marketing and Wealth Management Pvt Ltd"** and I am sincerely thankful to them for providing this opportunity to me.

I am thankful to **"Mr. Sameer Deshpande Sir"** for guiding me through this project and continuously encouraging me. It would not have been possible to complete this project without his support.

I am also thankful to all the faculty members of Department of Management Sciences and Research, G S College of Commerce and Economics, Nagpur and particularly my mentor **"Dr. Geeta Naidu Ma'am"** for helping me during the project.

Finally, I am grateful to my family and friends for their unending support.

PranchalDhanrajBorkar

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INTRODUCTION

Health insurance (sometimes called health coverage) pays for some or all of the cost of the health services you receive, like doctors' visits, hospital stays, and visits to the emergency room. It helps keep your health care costs predictable and affordable. You may have to pay several different amounts for health insurance:

1. You will generally pay a premium, a monthly fixed payment to the insurance company.
2. You may have to pay a deductible. This is a fixed amount that you pay out of pocket before your health insurance begins to pay for your health services.
3. After you have met the deductible, you and your insurance company typically share the cost of covered health services. Your insurance pays most of the cost first, and then you pay the remaining cost. The amount that you pay is either a copayment (a fixed amount) or a coinsurance (a percentage of the cost of the service).

Health insurance is an insurance that covers the whole or a part of the risk of a person incurring medical expenses, spreading the risk over numerous persons. By estimating the overall risk of health risk and health system expenses over the risk pool, an insurer can develop a routine finance structure, such as a monthly premium or payroll tax, to provide the money to pay for the health care benefits specified in the insurance agreement.[1] The benefit is administered by a central organization such as a government agency, private business, or not-for-profit entity.

According to the Health Insurance Association of America, health insurance is defined as "coverage that provides for the payments of benefits as a result of sickness or injury. It includes insurance for losses from accident, medical expense, disability, or accidental death and dismemberment"

COMPANY PROFILE

- Company name

GuarangInsurance Marketing and Wealth Management Pvt. Ltd

- # History

Gaurang Insurance Marketing And Wealth Management Private Limited is an unlisted private company. It was incorporated on 08 August, 2016 and is located in Nagpur, Maharashtra. It is classified as a private limited company.

The current status of Gaurang Insurance Marketing And Wealth Management Private Limited is - Active.

Gaurang Insurance Marketing And Wealth Management Private Limited has four directors - Sameer Yashwant Deshpande, Gargee Sameer Deshpande, and others.

The registered office of Gaurang Insurance Marketing And Wealth Management Private Limited is at C/O M M NENE, PLOT NO. 71, MADHAV NAGAR, NEAR PMG HALL, NAGPUR, Nagpur, Maharashtra.The Corporate Identification Number (CIN) of Gaurang Insurance Marketing And Wealth Management Private Limited is U66000MH2016PTC284524. It's authorized share capital is INR 10.00 lac and the total paid-up capital is INR 10.00 lac.The last reported AGM (Annual General Meeting) of Gaurang Insurance Marketing And Wealth Management Private Limited, per our records, was held on 30 September, 2019. Also, as per our records, its last balance sheet was prepared for the period ending on 31 March, 2019.

Gaurang Insurance Marketing And Wealth Management Private Limited is a Private incorporated on 08 August 2016. It is classified as Non-govtcompany and is registered at Registrar of Companies, Mumbai. Its authorized share capital is Rs. 1,000,000 and its paid up capital is Rs. 1,000,000. It is inolved in Insurance and pension funding, except compulsory social security.
Gaurang Insurance Marketing And Wealth Management Private Limited's Annual General Meeting (AGM) was last held on 30 September 2019 and as per records from Ministry of Corporate Affairs (MCA), its balance sheet was last filed on 31 March 2019.

- ## Managerial structure

  Directors of Gaurang Insurance Marketing And Wealth Management Private Limited are Gargee Sameer Deshpande, Gaurang Sameer Deshpande, Sameer Yashwant Deshpande and Supriya Sameer Deshpande.

-

Company Details

CIN	U66000MH2016PTC284524
Company Name	GAURANG INSURANCE MARKETING AND WEALTH MANAGEMENT PRIVATE LIMITED
Company Status	Active
RoC	RoC-Mumbai
Registration Number	284524
Company Category	Company limited by Shares
Company Sub Category	Non-govt company
Class of Company	Private
Date of Incorporation	08 August 2016
Age of Company	4 years, 1 month, 5 days
Activity	Insurance and pension funding, except compulsory social security.

- Share Capital

Authorised Capital	₹1,000,000
Paid up capital	₹1,000,000

Listing and Annual Compliance Details

Listing status	Unlisted
Date of Last Annual General Meeting	30 September 2019
Date of Latest Balance Sheet	31 March 2019

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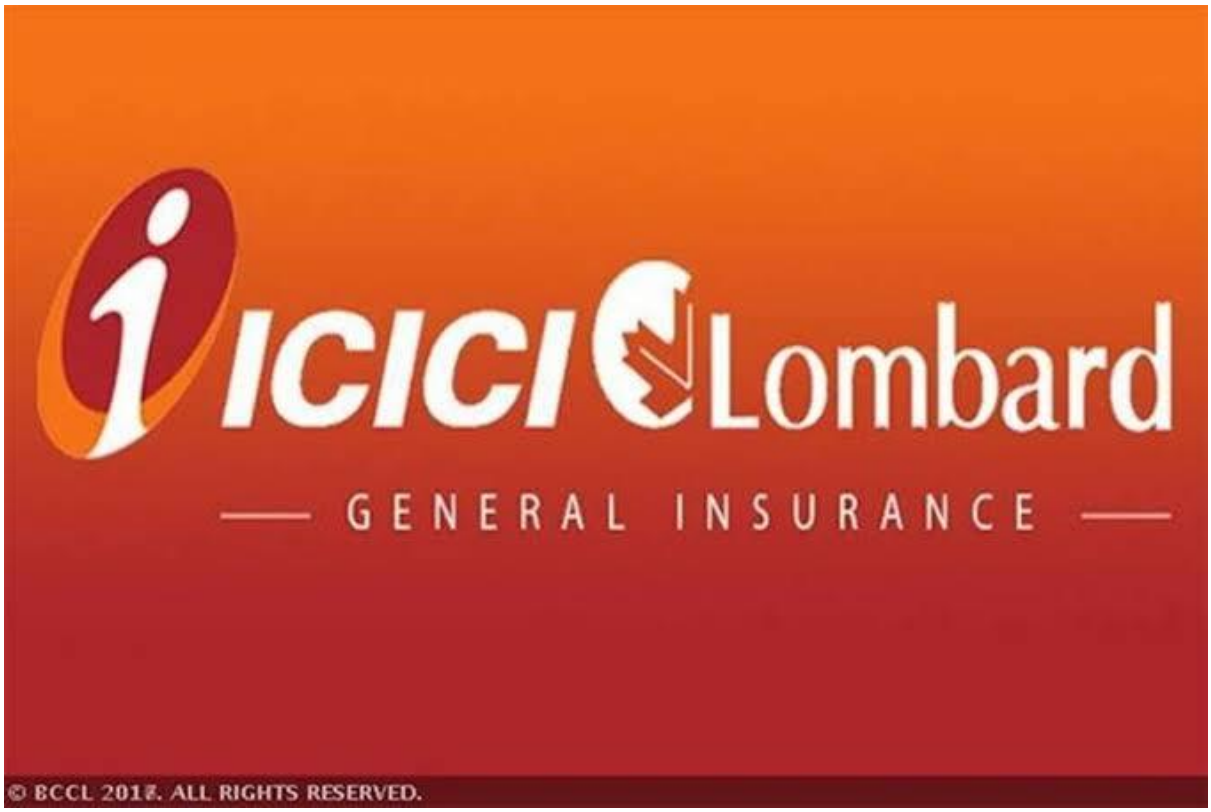

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ICICILombardGICLtd.isthelargestprivatesectorgeneralinsurance

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CNBCTV18ITUserAward2010'forBestTechnologyImplementationintheInsuranceSector.IthasbeenawardedCNBCAwaazConsumerAward2010forbeingthe'most preferredbrand'intheGeneralInsurancecategory.ICICILombardAutoInsurancehasbeenratedhighestincustomersatisfactionbyJ.D.PowerAsiaPacificinIndiaamong11 autoinsuranceproviders.ItwasawardedCustomerandBrandLoyaltyawardinthe'InsuranceSector-Non-
Life'atthe3rdLoyaltyawards,2010andthe'GeneralInsuranceCompanyoftheYear'atthe11thAsiaInsuranceIndustryAwards.ThecompanyalsowontheNDTVProfitBusinessLeadershipAward2007andwasadjudgedasthemostCustomerResponsiveCompanyintheInsurancecategoryattheEconomicTimesAvayaGlobalConnectCustomerResponsivenessAward2006.IthastheGoldShieldfor'ExcellenceinFinancialReporting'bytheICAI(InstituteofCharteredAccountantsofIndia)fortheyearendedMarch31,2006.

TERMINOLOGIES

1. Deductible

A deductible is what you pay annually for health services before our company guarange insurance marketing and wealth management pvt Ltd pays its share. For instance, if you have a deductible of $1,000, your insurance plan might not start covering its share of your bills until you've paid $1,000 for healthcare in a given year. However, plans often cover the cost of things like preventive care doctor's visits even before you've paid your full deductible amount.

2. High Deductible Health Plan

If you have a high deductible health plan (HDHP), you're paying a larger deductible than most people. You'll be paying more out-of-pocket and your insurance won't cover much until your deductible has been paid in full. In exchange, your premiums won't be as high and you will likely qualify for a health savings account that lets you save pre-tax dollars for covering medical expenses.

For 2016, HDHPs are those plans that have deductibles of at least $1,300 for individuals and $2,600 for families. They can potentially save you money and can be especially useful for younger people and folks who don't need much medical care and and want low premiums. On the other hand, if you rack up a lot of medical bills in a given year, an HDHP can be expensive.

3. Health Savings Account

A health savings account (HSA) allows individuals to put in up to $3,350 (or $4,350 if you're at least 55) in pre-tax dollars to be used for medical expenses. Your contributions lower your tax bill, and if you use the money for qualified medical costs your withdrawals will be tax-free.

An HSA differs from a flexible spending account (FSA), which is connected to your job and allows you to save pre-tax money you can use toward out-of-pocket medical expenses. Unused HSA funds remain in your account until you need them, while FSA funds must be depleted before the plan year ends because the funds generally do not roll over.

4. Premium

Your premium is what you'll pay the insurance company for the privilege of having an active insurance plan. Most people pay theirs every month, but your payments might be due once a quarter or once a year.

Fortunately, there are tax credits available to offset the costs of health insurance premiums for plans purchased on the Affordable Care Act marketplace. If you get health insurance through work, your employer probably covers a share of your monthly premium.

5. Copayment

The copayment (or copay) is the amount you owe each time you receive certain types of medical care. Copays can vary depending on the kind of service you're getting. For example, you may have to pay a $30 copay for each visit to your GP and $60 for each visit to a specialist.

Normally, you can't use copayments to reach the threshold for the deductible. It depends on your plan, though, so you'll need to read the fine print to find out how your coverage works.

6. Coinsurance

After you've met your deductible for the year you're not off the hook when it comes to medical bills. You'll generally face some amount of coinsurance. That's the percentage you'll pay of medical expenses. For example, you might meet your $2,500 deductible in May and from then on your coinsurance would be 20%. That means you would pay $20 of a $100 bill and the insurance company would pay the other $80.

7. Out-of-Pocket Maximum

This amount is the most you'll pay each year toward costs including your deductible, copay and coinsurance. For 2016, the maximum threshold is $6,850 for singles and $13,700 for family coverage. Say you've gone all year without any medical expenses and suddenly have to go to the hospital. Assume your plan specifies that you pay 30% of hospital bills (your coinsurance) and the insurance company pays 70%. If your 30% share of your bill is greater than $6,850 you still won't have to pay more than that because you will have met your yearly out-of-pocket maximum.

Once you've met the maximum, your insurance company will pay for the remainder of your care, as long as it's essential. Premiums aren't included in the out-of-pocket maximum and neither are extra services such as hearing aids and acupuncture. If your plan distinguishes between in-network and out-of-network providers, out-of-network bills may not count toward your out-of-pocket maximum either.

8. HMO

A health maintenance organization (HMO) plan might give you the least amount of flexibility in terms of who you can choose as a provider. If you don’t see a physician who’s either an employee of the HMO or does contract work for it, be prepared to pay for the entire medical bill (unless there’s an emergency). And if you move or switch over to a job in a new city, you might lose your coverage

9. POS

Under a point of service (POS) plan, you can’t receive care from a specialist without a referral from your main doctor. Your medical expenses will be higher if you seek help from an out-of-network physician, but on the bright side you’ll likely have a greater number of doctors to choose from than you would with an HMO.

10. PPO

With a preferred provider organization (PPO) plan, your insurer might pay a portion of your bill if you visit a doctor or specialist outside your network. You won’t need a referral from your primary physician to do that, but you’ll probably pay more. To keep costs low, you’ll want to stick with in-network healthcare professionals.

OBJECTIVE OF HEALTH INSURANCE

A national health insurance system will be judged with regard to the achievements of promised improvements, and success as well as sustainability will depend on the support of the society as a whole. Achieving objectives and realising broad societal support requires on the one hand professionalism in technical design, e.g. regarding economic and administrative feasibility. On the other hand, it is crucial to match new institutions with values and historical processes that have led to current characteristics of politics, labour movements, communal patterns, distribution of wealth and poverty, religion, and culture. The impact of the existing socio-political environment and related constraints in achieving overall objectives is often underestimated when developing new health protection schemes. However, international experience with implementing nationwide health insurance schemes shows that a lack of support of key stakeholders and even failure might be a consequence of mismatching a new system with existing structures and behavioural patterns in a society. Therefore, it is necessary to develop policy features addressing challenges beyond technical feasibility, and thereby ensure that overall objectives are likely to be achieved.

The main objectives of the health insurance

- To find awareness level of health insurance for people in country.
- To estimate the percentage of population having health insurance product.
- To study claim settlement process in the health insurance policy.
- To determine the satisfaction level of the customer regarding claim settlement.

SCOPE OF HEALTH INSURANCE

No one plans to get sick or hurt, but most people need medical care at some point. Health insurance covers these costs and offers many other important benefits.

- Health insurance covers essential health benefits critical to maintaining your health and treating illness and accidents
- Health insurance protects you from unexpected, high medical costs.
- You pay less for covered in-network health care, even before you meet your deductible.
- You get free preventive care, like vaccines, screenings, and some check-ups, even before you meet your deductible.
- If you have a Marketplace plan or other qualifying health coverage through the plan , you don't have to pay the penalty that people without coverage must pay.

Rising healthcare costs and increasing longevity has created awareness about the importance of health insurance. At a very rudimentary level, health insurance is an insurance, which covers for the medical expenses incurred by you. Similar to other forms of insurance, you can take a policy under which a fixed sum is covered to protect yourself against stated healthcare risks as mentioned in the policy. There is a cost by way of premiums that you pay for such a policy, which depends on your age, current health condition and the amount of insurance that you take, which is the sum assured by the policy.

Like every other insurance policy, health plans too come with conditions. Usually, to avail of any benefits under the health insurance policy, the policyholder needs to be hospitalised for at least 24 hours. The policy typically covers for room or boarding expenses, nursing expenses, surgeon fee, physician, operation theatre charges, medicines, medical tests and a lot many

other necessary expenses. Depending on the kind of policy purchased it might also cover pre and post hospitalisation expenses and further help you with certain amount of daily cash allowance during hospitalization under 'Hospital Cash' benefit.

In fact, most policies even have a waiting before certain medical conditions are covered by them, also known as pre-existing diseases. Treatment related to preexisting diseases is usually excluded for a fixed period or waiting period, which could be from two to four years depending on the policy type. As with every insurance plan, there are exclusions when it comes to health insurance, which you need to know of. For instance, pregnancy is not covered by most health insurance plans. Among the exclusions that distinctly stand out include dental treatment and prescription glasses in case of defect in eyesight.

Another important exclusion is Sexually Transmitted Disease (STD). Treatment cost for such infections are usually excluded under the permanent exclusions part of the health insurance policy. For you to benefit the most from your health insurance plan, it is recommended you know what your policy covers and what is excluded.

In India, provision of health care services varies state-wise. Public health services are prominent in most of the states, but due to inadequate resources and management, major population opts for private health services.

To improve the awareness and better health care facilities, Insurance Regulatory and Development Authority of India and The General Corporation of India runs health care campaigns for the whole population. IN 2018, for under privileged citizens, Prime Minister NarendraModi announced the launch of a new health insurance called Modicare and the government claims that the new system will try to reach more than 500 million people.

In India, Health insurance is offered mainly in two Types:

- **Indemnity Plan** basically covers the hospitalisation expenses and has subtypes like Individual Insurance, Family Floater Insurance, Senior Citizen Insurance, Maternity Insurance, Group Medical Insurance.
- **Fixed Benefit Plan** pays a fixed amount for pre-decided diseases like critical illness, cancer, heart disease, etc. It has also its sub types like Preventive Insurance, Critical illness, Personal Accident.

Depending on the type of insurance and the company providing health insurance, coverage includes pre-and post-hospitalisation charges, ambulance charges, day care charges, Health Checkups, etc.

It is pivotal to know about the exclusions which are not covered under insurance schemes:

- Treatment related to dental disease or surgeries
- All kind of STD's and AIDS
- Non-Allopathic Treatment

Few of the companies do provide insurance against such diseases or conditions, but that depends on the type and the insured amount.

Some important aspects to be considered before choosing the health insurance in India are Claim Settlement ratio, Insurance limits and Caps, Coverage and network hospitals.

NEEDS OF HEALTH INSURANCE

Why get health insurance?

Health insurance, also known as private medical insurance, is designed to ensure that if you need medical treatment in future, you won't need to worry about NHS waiting lists or paying for the cost of the treatment.

If you're treated privately, health insurance will pay all or some of your bills.

It should get you diagnosed and treated quickly, as well as offer you a prompt referral to a consultant and admission to a private hospital at a time and place that is convenient for you.

With health insurance, you'll have a choice of private hospital from an agreed list provided by your insurer - most hospitals offer a private en-suite room, TV and a choice of food, which you wouldn't necessarily get as a normal patient.

In short, the main benefits of private health insurance are:

1. Shorter waiting times for treatment on the NHS
2. Better facilities
3. Faster diagnosis
4. Choose from a range of private facilities
5. Choose a convenient time for appointments and treatments

The current COVID-19 pandemic has made the entire world sit up and realise that medical exigencies are unpredictable and can cause a financial upheaval that is tough to handle. With a high infection rate and no successful vaccine yet, people have started to understand the importance of having a good health insurance plan. Besides, with the rising cost of medical expenses, access to good medical facility and hospitalisation costs can be financially strenuous. Therefore, getting a health insurance cover for yourself and your family can provide the added protection you need in times like these. Apart from the obvious benefit of having the financial confidence to take care of your loved ones, a health insurance plan is extremely useful when it comes to beating medical treatment inflation.

Here are six crucial reasons why you need to consider getting a health insurance plan today:

1. **To fight lifestyle diseases**

Lifestyle diseases are on the rise, especially among people under the age of 45. Illnesses like diabetes, obesity, respiratory problems, heart disease, all of which are prevalent among the older generation, are now rampant in younger people too. Some contributing factors that lead to these diseases include a sedentary lifestyle, stress, pollution, unhealthy eating habits, gadget addiction and undisciplined lives.

While following precautionary measures can help combat and manage these diseases, an unfortunate incident can be challenging to cope with, financially. Opting for Investing in a health plan that covers regular medical tests can help catch these illnesses early and make it easier to take care of medical expenses, leaving you with one less thing to worry about.

2. To safeguard your family

When scouting for an ideal health insurance plan, you can choose to secure your entire family under the same policy rather than buying separate policies. Consider your ageing parents, who are likely to be vulnerable to illnesses, as well as dependent children. Ensuring they get the best medical treatment, should anything happen to them, is something you would not have to stress about if you have a suitable health cover. Research thoroughly, talk to experts for an unbiased opinion and make sure you get a plan that provides all-round coverage.

3. To counter inadequate insurance cover

If you already have health insurance (for example, a policy provided by your employer) check exactly what it protects you against and how much coverage it offers. Chances are it will provide basic coverage. If your current policy does not provide cover against possible threats - such as diseases or illnesses that run in the family - it could prove insufficient in times of need. And with medical treatments advancing considerably, having a higher sum assured can ensure your every medical need is taken care of financially. But don't worry if you cannot afford a higher coverage plan right away. You can start low and gradually increase the cover.

4. To deal with medical inflation

As medical technology improves and diseases increase, the cost for treatment rises as well. And it is important to understand that medical expenses are not limited to only hospitals. The costs for doctor's consultation, diagnosis tests, ambulance charges, operation theatre costs, medicines, room rent, etc. are also continually increasing. All of these could put a considerable strain on your finances if you are not adequately prepared. By paying a relatively affordable health insurance premium each year, you can beat the burden of medical inflation while opting for quality treatment, without worrying about how much it will cost you.

5. To protect your savings

While an unforeseen illness can lead to mental anguish and stress, there is another side to dealing with health conditions that can leave you drained – the expenses. By buying a suitable health insurance policy, you can better manage your medical expenditure without dipping into your savings. In fact, some insurance providers offer cashless treatment, so you don't have to worry about reimbursements either. Your savings can be used for their intended plans, such as buying a home, your child's education and retirement. Additionally, health insurance lets you avail tax benefits, which further increases your savings.

6. Insure early to stay secured

Opting for a health insurance early in life has numerous benefits. Since you are young and healthier, you can avail plans at lower rates and the advantage will continue even as you grow older. Additionally, you will be offered more extensive coverage options. Most policies have a pre-existing waiting period which excludes coverage of pre-existing illnesses. This period will end while you are still young and healthy, thus giving you the advantage of exhaustive coverage that will prove useful if you fall ill later in life.

CONTRIBUTION IN SIP

My work is to tell and convenience people about the Health insurance policy. I had contact almost 80 to 100 peoples regarding the health insurance. And also

consulted with all my relatives, family friends , friends. Also talked with my friends parents. Each day i talked with almost 5 peoples for health insurance policy on calls and via social media . I also approached some of my neighbors and relatives home . As in this pandemics situation most of them had there inCome issue and some of them had already aware of health insurance and have their health insurance earlier. I tried my level best to conceince each and every customer .As in this pandemics situation most of them had there inCome issue and some of them had already aware of health insurance and have their health insurance

earlier. I tried my level best to conceince each and every customer I had also attached a pdf including the names of the peoples whom I approached.

I had attached some photos in which I mentioned all the names of the people to whom I talked personally about the insurance .

LIMITATIONS

1. The cost

Private health insurance can be expensive – depending on their policy, an individual, couple or family could pay thousands of dollars in premiums each year, with costs typically increasing annually. The federal government announced an average premium hike of 2.92% for 2020, for example. On the other hand, since 1 April 2019 health funds have had the option of offering discounts for younger customers, which may bring premiums down for those customers.

2. Complex products

For some, the huge variety of products on offer and the range of policy inclusions and exclusions can be overwhelming and challenging to understand. Health insurance reforms introduced in 2019 are aiming to simplify the products on offer.

3. Excluded treatments

Depending on the policy, if you end up needing treatment in hospital, you might still not be covered. Even a comprehensive policy may not cover every type of treatment or procedure.

4. Out of pocket costs

A private health insurance policy may only cover part of the cost of a treatment or procedure. So you could still end having to pay a substantial amount, as an excess for example, albeit less than you might pay without insurance in place.

RESEARCH METHODOLOGY

Personal Approach

- Surveys
- Mails
- questionnaires
- articles ,magazines
- Telephone ,discussion meeting with Managers, Agents .
- Insurance companies &customers etc. for this project personal interviews was conducted for collection

SECONDARY DATA consists of published data collected through

- Books
- websites
- news papers
- journals
- magazines
- Research papers

ICICI LOMBARD HEALTH INSURANCE

Our policycovers:

Medicalexpensesincurredduringhospitalisationformorethan24hours,includingroomcharges,doctor/surgeon'sfee,medicinebills,etc.

Medicalexpensesincurred30dayspriorand60daysposthospitalisation

Day-careexpensesforadvanced,technologicalmedicalsurgeriesandproceduresrequiringlessthan24hoursofhospitalisation(includingdialysis,radiotherapyandchemotherapy)

Pre-existingdiseases,butafter2years/4yearsofcontinuouscoveragewiththeCompany*

LifeLongRenewability:Thepolicyprovideslife-longrenewal

FloaterBenefit:Floatercovertogetfamily(self,spouse,dependentparents,dependentchildren,brothersandsisters)coveredforthesamesuminsuredunderasinglepolicybypayingonepremiumamount.Anyindividualabove3monthsofagecanbecoveredunderthepolicyprovided1adultisalsocoveredunderthesamepolicy

AdditionalSumInsured:AnAdditionalSumInsuredof10%ofAnnualsuminsuredprovidedoneachrenewalforeveryclaimfreeyearuptoamaximumof50%.Incaseofaclaimunderthepolicy,theaccumulatedAdditionalSumInsuredwillbereducedby10%oftheAnnualSumInsuredinthefollowingyear

Policyperiod:Optionofchoosing1or2yearpolicyperiodundervariousplansoffered

CashlessHospitalisation:Availcashlesshospitalisationatanyofournetworkproviders/hospitals.Alistofthesehospitals/providersisavailableonourwebsitewww.icicilombard.com

FreeHealthCheck-up:ThecustomerisentitledforaFreeHealthCheck-upatdesignatedcenters.ThecouponswouldbeprovidedtoeachInsuredforeverypolicyyear,subjecttoamaximumof2couponsperyearforfloaterpolicies

TaxBenefit:AvailtaxdeductiononpremiumpaidunderhealthinsurancepolicyasperapplicableprovisionsofSection80DofIncomeTaxAct,1961andamendmentsmadethereto

Pre-PolicyMedicalCheck-up:Nomedicaltestswillberequiredforinsurancecoverbelowtheageof46yearsandSumInsuredupto₹10Lakhs

FreeLookPeriod:Policycanbecancelledbygivingwrittennoticewithin15daysofreceivingthepolicy

Resetbenefit:Wewillresetupto100%oftheSumInsuredonceinapolicyyearincasethesuminsuredincludingaccruedadditionalSumInsured(ifany)isinsufficientasaresultofpreviousclaimsinthatpolicyyear

InPatientAYUSHTreatment: ExpensesforAyurveda,Unani,SiddhaandHomeopathy(AYUSH)treatmentonlywhenithasbeenundergoneinagovernmenthospitalorinanyinstituterecognisedbythegovernmentand/oraccreditedbyQualityCouncilofIndia/NationalAccreditationBoardonHealth

EmergencyAmbulanceCover: Reimbursementupto₹1,500perhospitalisationforreasonableexpensesincurredonavailinganambulanceserviceofferedbyahospital/ambulanceserviceproviderinanemergencycondition

WellnessProgram:Ourwellnessprogramintendstopromote,incentiviseandrewardyouforyourhealthybehaviorthroughvariouswellnessservices.Alltheactivitiesasmentionedinthedesiredsectionhelpyouearnwellnesspointswhichwillbetrackedbyus

FINDING

A systematic approach was followed to identify the requirements of a Target customers to provide them with benefit and reasonable degree of security. Today everyone believes investment in Health Insurance –it is vital for the future.

Health insurance has emerged as one of the fastest growing segments in the non-life insurance industry with 30 per cent growth in 2010-11. For the purpose of regulation, health insurance companies are classified as non-life companies.

Health insurance‘s annual premium collections are over Rs 6,000 crores. Despite the high growth, the business is a huge challenge for insurers because of the high losses over soaring medical expenses.

Awareness and Perception of policy holder: Out of total 300 respondents only 75percent people have proper knowledge about Health insurance plan. It shows that there has been 30:70 split between cashless and Reimbursement Health insurance policy. Even from researcher field experience it was quite evident that policy holder has not wider information about their insurance policy.

Knowledge about coverage and exclusion of policy: Most of the time Policy Holders have inadequate knowledge on illness covered in their polices, exclusion of illness in the policy, cashless Reimbursement and list of empanelled hospitals. Similarly only 8.2% of policyholders are aware about the fact that insurance companies charged extra fees for TPA. Claim settlement and after sales Services:-

Majority of the customers complaining that there has been always delay in claim settlement and other after sale service. Most of the time the agreed time for claim settlement is one month but actual time for claim settlement is two to three month.

Generally Policy holders avoid dealing directly dealing with their Insurance Company due to various procedure hassles. Insurance agents seems to have major influence on policy holder s decision and policy holders more trust and faith of them On one hand, because the prices of health insurance products most of the customers avoid best Health Insurance Plan.

CONCLUSION

This paper makes an attempt to understand the awareness, preference and consumption pattern of Health insurance plan. The result of this study shows that the annual premium is the most important factor that influences the decision or choice of health Insurance plan. This means that households having higher income have higher probability of buying healthcare plan. Thus, less income groups may not opt for health insurance plan. Thus there is a need to develop more products that cater to need of larger and all levels of income groups. Apart from annual premium, hospital network and disease coverage or coverage of services hold importance in making choice of healthcare plan. Thus, insurance company should provide larger network of hospitals and services in their plans in order to satisfy their customer fully. Accessibility of service provider and company reputation also moderately influence the decisions. The decision made for choosing the plan is mainly influenced by self perceptions. Family and relatives and past experience hold second position for assisting in the choice of plan. Most people would prefer to buy healthcare plan from private insurance companies for they provide better services and innovative products. Thus, there is large scope for private insurance companies to grow.

The legal and regulatory framework of private health insurance, particularly because it operates in the voluntary market, should continually balance competing goals of access, affordability and quality of healthcare and provide health coverage to a larger fraction of the population with varying risk characteristics and ability to pay. Regulations, aside from their aim of providingprotection of health insurance policyholders and beneficiaries, can be potent tools to promote access to healthcare, control pricing of health coverage vis-àvis healthcare providers and enhance quality of healthcare. Allowing the participation of other entities that provide health coverage, such as Hospital and/or Professional entities, and self-insured health insurance schemes of Mutual Benefit Associations and Cooperatives would further increase the reach and depth of private health insurance. Licensing standards for compliance which are enforced on health care provider facilities as well as self-regulation in the medical profession and within provider groups are necessary for continuing improvement of healthcare quality. Private health insurance cannot grow if reasonable consumer expectations relating to access, cost and quality of healthcare remain promises rather than realities. The analysis clearly shows that there is demand for cash less health insurance scheme but the customers want reduction in number of exclusions and inclusion of pre-existing diseases. They want the TPAs to be efficient and perform up to the expectation of the policyholders and insurers. Even though the insurers are providing need based plans but more should be done to meet the needs arising out of changing lifestyles of people. The population of elderly people, in India, is rising and they would require institutional care, which is totally missing. The plans need to include pregnancy related expenses, inclusion of chronic and debilitating diseases, HIV and AIDS, TPAs need to be more efficient in claims processing and providing better networking for the policyholders. These challenges can be overcome by setting up and standalone health insurance companies that are run on-profit objective. In most of the countries life insurance companies underwrite health insurance. In India, life insurers should be allowed to underwrite health insurance. The tax benefits available at present should be hiked and

continued with. The health plans should be wide based in order to include outpatient care along with in-patient.

To create the awareness of health insurance is very important, the Government and all the associated bodies should all offer their support in spreading health insurance awareness so that Indian citizens are aware of the right to seek quality healthcare without any financial thought. and it will help to increase the awareness of health Insurance among the people.

By

SUGGESTION

The Health Insurancesuggestion , some of the keys ones are as follows:

♦ Lowering The Limit Of Capital Requirement:

The capital requirement for health insurance companies be reduced to Rs 25 crore from the current Rs 100 crore. PresentRs 100-crore requirement is a deterrent since a larger capital requirement will bring in additional cost associated with such capital.

♦ Raising The FDI Limit:

The foreign direct investment (FDI) limit be raised to 51 % from the existing %. This could attract global health insurance players and encourage them to take a long-term perspective of their investments in the country.

♦ Grading And Accreditation Of Health Providers:

The grading and accreditation of hospitals and health providers in a post-tariff regime. The parameters used to evaluate the hospitals would include medical specialties (evaluated on the availability of equipment, qualification and adequacy of medical personnel). The provision of a database is something that could be taken up by the Tariff Advisory Council in active collaboration with the IRDA.

♦ Advertisement Of Health Insurance:

Large efforts should be laid towards developing health insurance as an alternative and acceptable method of personal finance risk management tool. The whole aim should be to divert towards popularizing health insurance as a concept in rural areas under the guidance of the ministry of finance and the IRDA.

The Research also recommends that

(1)Life insurance companies to develop underwriting guidelines and sell health insurance policies because of their wide distribution network.

(2) Multiple health insurance products should be offered at various price points to customers.

(3) IRDA should engage the services of the Ministry of Health and Family Welfare, Indian Medical Council, Indian Medical Association, healthcare associations and other bodies.

Other Recommendations

♦ Abolition of the service tax on health insurance products. It has also been suggested that income tax holidays be accorded to the health insurance companies for 10 years from the date of incorporation.

♦ Introduction of a common pool for terminally ill people/people who do not have access to any kind of health insurance.

♦ Fraudulent claims, when discovered and proved, should be treated as criminal offence and subject to strict legal action including imprisonment.

♦ Systems of co-payment, co-insurance and voluntary deductibles to be used to

(1) Make health insurance more viable,

(2) Control frauds

(3) Refrain customers wanting to avail luxury facilities.

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