KNOWLEDGE, ATTITUDE AND PRACTICES TOWARDS ACCEPTANCE OF HEALTH INSURANCE

(A CASE STUDY OF YATSAUK TOWNSHIP,SHAN STATE)

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1.Introduction

- The way in which a country finances its health care can have a major bearing on the access to health services enjoyed by its people.

- Investing in health is essential not only to improving health outcomes but also to supporting economic growth.

- Global evidence shows that Between 2000 and 2011, health improvements accounted for about 11 percent of economic growth in low- and middle-income countries.(NHP 2017-2021)

- A strong and coherent health system is the foundation for healthy children, families and communities, contributing to a productive workforce and a population able to take advantage of the opportunities created by economic growth.

- However, all over the world healthcare financing has always been and is still an issue of concern resulting from the problem of scarce resources.

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- Health spending in Myanmar is relatively low even when related to other low income countries, resulting in shorter life expectancy and then its population's health status is poor because of many challenges such as financial constraints, the inefficient allocation of health sector resources and a lack of management capacity.

- Healthcare financing and expenses in Myanmar amounted to approximately 4.79% of the country's gross domestic product and per capita of 85,231 MMK in 2018.(Myanmar Health Account 2016-2018)

- However, the health financing is mainly based on out-of-pocket payments (OOPPs) made by households. (MOHS 2020)

- It thus is direct impact on both households' financial burden and economic growth of a country.

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- Insurance industry that can provide social and economic benefit for the country is an important sector.

- Health insurance is a mechanism for spreading the risks of incurring health care costs over a group of individuals or households constitutes.

- Due to ever escalating health care cost amidst inadequate tax revenues, health insurance promises to offer a relief from out-of-pockets payments hence, to mitigate the attendant consequences .

- Health care has been always a problem area for Myanmar and there remains a huge untapped potential by government in Health insurance sector in the country.

- The private insurers are also considerable opportunities for micro insurance to increase financial inclusion, especially in the less developed areas of Myanmar

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- The impact and acknowledge about health insurance is not good enough.

- Health insurance is still an unknown word in rural area than urban.

- Due to the largely rural demographic of Myanmar, access to comprehensive healthcare services is limited in rural areas, in which many of the poor reside.

- As a result, healthcare sector is being boosted by the support of health insurance schemes, which will be able to protect losses with regard to household's financial bankruptcy of unexpected medical bill.

- Thus, this study seek to analyze knowledge, attitude of households and practices of insurers about health insurance in Yatsauk Township at Shan State influence possession of health insurance.

2.Literature review

- The main determinants of demand for health insurance are the occupation, income, health expenditure and awareness. The other variables such as the age and education are positively associated with demand for health insurance but are not statistically significant. Therefore occupation, income, health expenditure, and awareness on health insurance scheme play a vital role in determining of health insurance schemes.(J.Yellaiah,G. Ramakrishna,2012).

- According to Katwesige, E. H. (2019),in the context of this study show that there is a significant relationship between demographic characteristics ,knowledge ,practices and uptake of life insurance. There is no significant attitude towards uptake of life insurance.

- According to Nakafeero esther (2018), Age, knowledge of health insurance services and awareness of the importance of health insurance influences consumers' decisions to possess health insurance. Others variables (practices of insurers) have mixed impact.

3.Objective of the Study

➡ The Objectives of the Study are as follow:

- To analyze the relationship between socio-economics factors and acceptance of health insurance.

- To examine the relationship between knowledge, attitude of households, practices of insurers and acceptance of health insurance.

- To investigate the influencing factors of acceptance of health insurance.
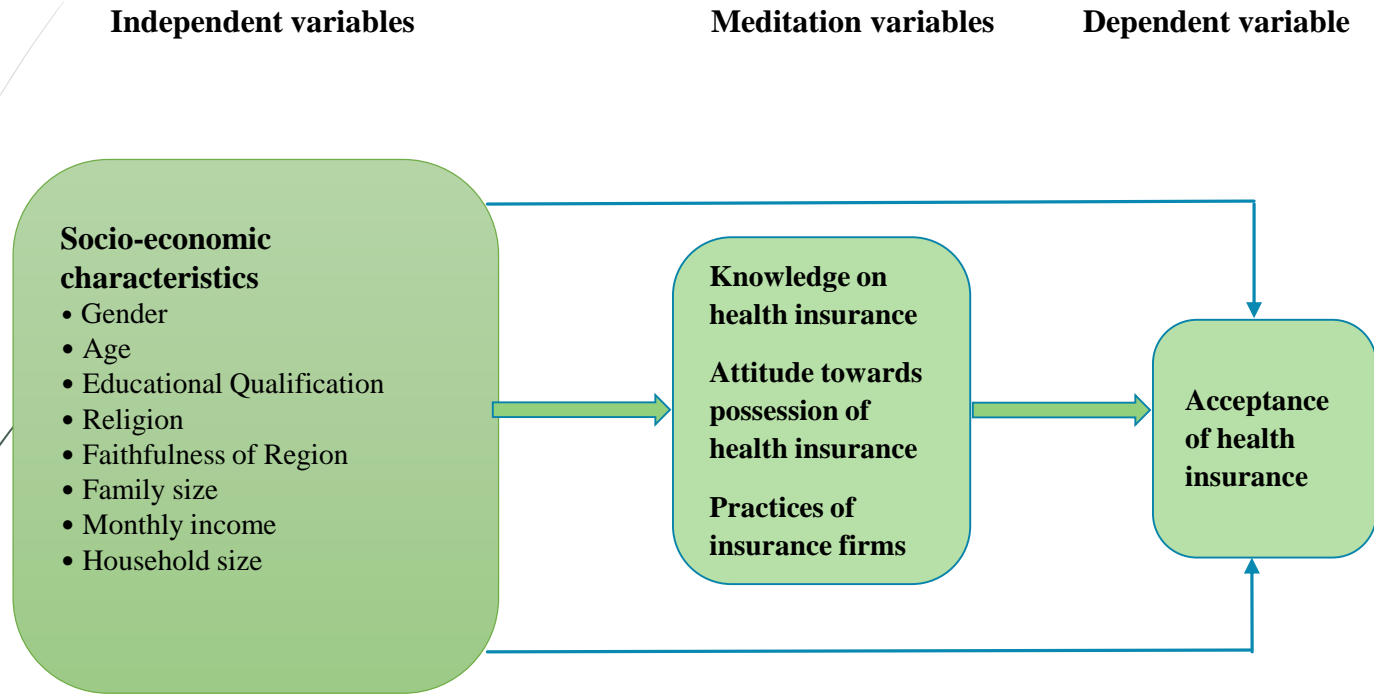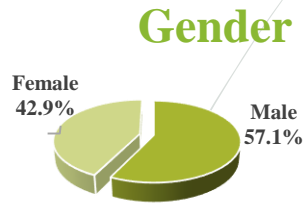
4.Conceptual Framework

Figure (1)- Own Compilation
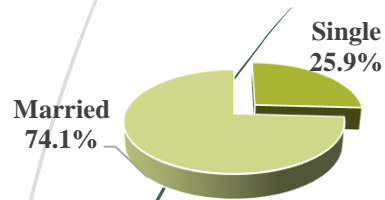
5.Research Methodology

Population Sample & Scope	Data Collection Methods	Type of Questionnaires	Data Analysis Methods
• Households(either head of household or the family member who takes financial decisions in the house) in Yatsauk Township, Shan State	• Simple Random Sampling Method	• close-ended questions • seven point likert scale (1= Strongly Disagree, 2=Disagree, 3=Somewhat Agree, 4= Neutral, 5=somewhat agree, 6= Agree, 7= Strongly Agree)	• Cross tabulation (Chi square) • Binary logistic model • Statistical software SPSS 25
• 401 response rates out of 450 households	This method for data collection was used by the researcher and the sample is chosen randomly because households has an equal chance of being chosen.		

Socioeconomic characteristics of households
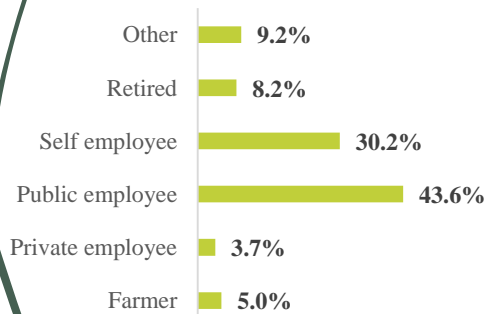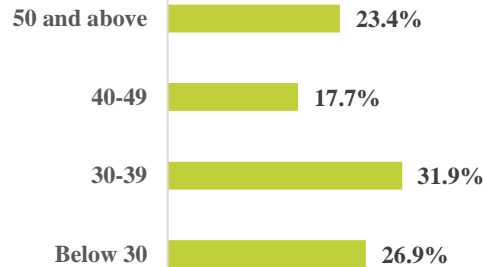
Gender

Female 42.9%
Male 57.1%

Age (years)

- 50 and above — 23.4%
- 40-49 — 17.7%
- 30-39 — 31.9%
- Below 30 — 26.9%

Education

- Master — 3.7%
- Graduate — 19.0%
- High school — 32.4%
- Secondary — 31.9%
- Primiary — 13.0%

Religion

Buddhism — 96.8%
Christianity — 3.1%

Marital Status

Single 25.9%
Married 74.1%

Important of religion

- Very importment — 65.3%
- Important — 29.7%
- Fair — 4.9%

Monthly income

- 400000 and above — 2.5%
- 300000-399999 — 13.2%
- 200000-299999 — 36.4%
- Below 200000 — 47.9%

Occupation

- Other — 9.2%
- Retired — 8.2%
- Self employee — 30.2%
- Public employee — 43.6%
- Private employee — 3.7%
- Farmer — 5.0%

Household Size

- 1 to 3 — 51.1%
- 4 to 6 — 45.6%
- 7 and above — 3.2%
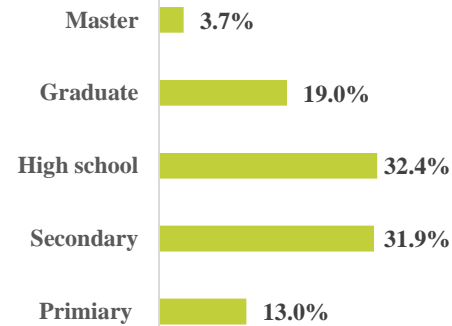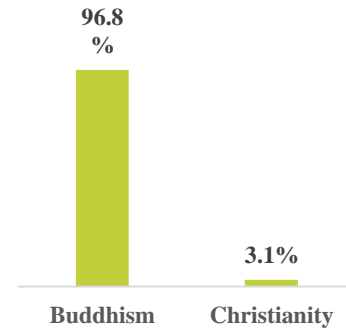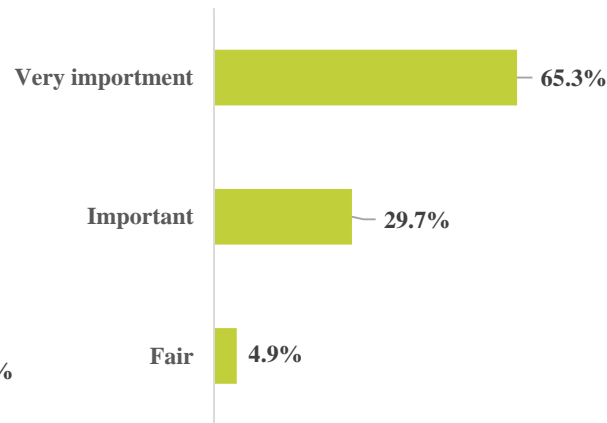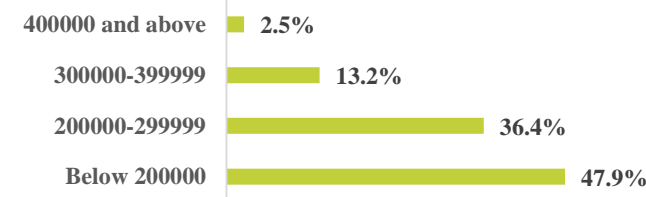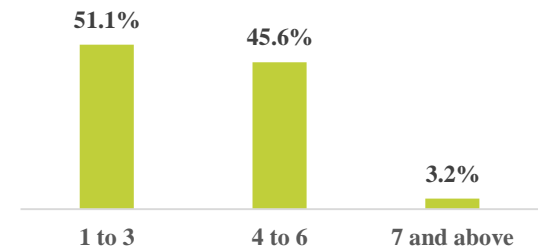
Source: Field data (2021)

Knowledge on Health Insurance

Households' Knowledge on health insurance product

44%

56%

■ Yes

■ No
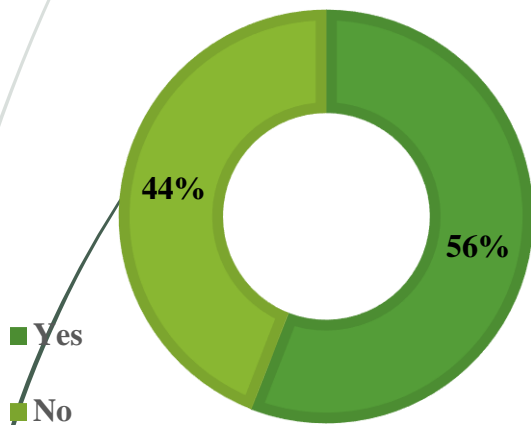
Sources of information on health insurance

Source	Percentage
Other	0.5%
Insurance Company/ Agents	2.2%
Family & Friend	17.5%
Internet	24.9%
Television programs	35.9%
Radio programs	9.2%
Newspapers, Journals & Magazines	11.2%

Source: Field data (2021)
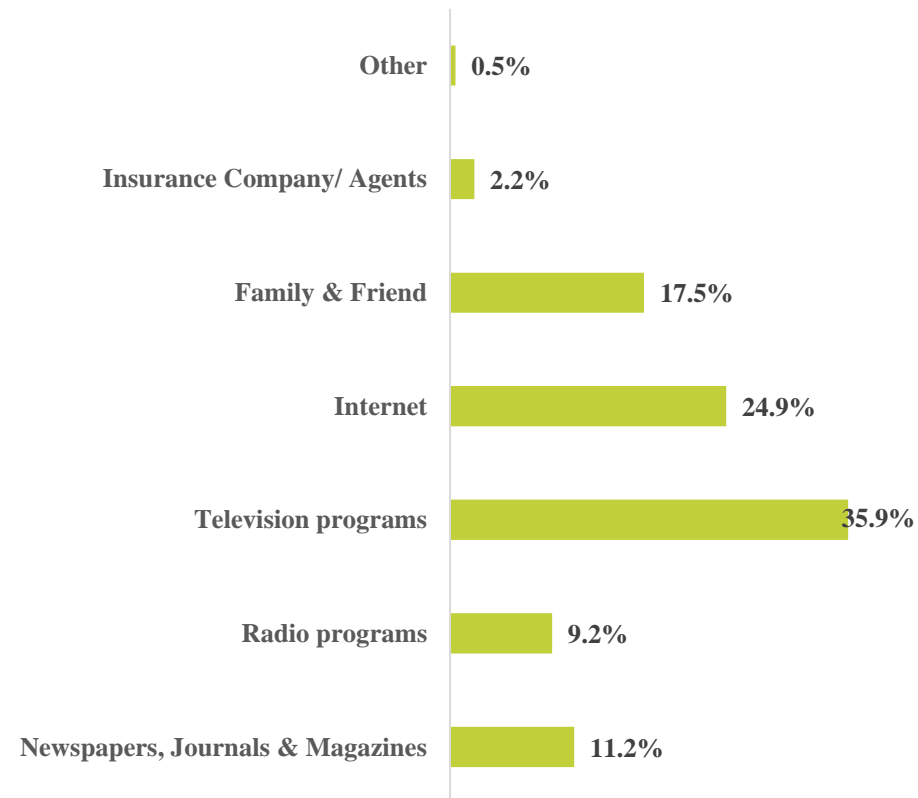
Households' knowledge level on health insurance scheme
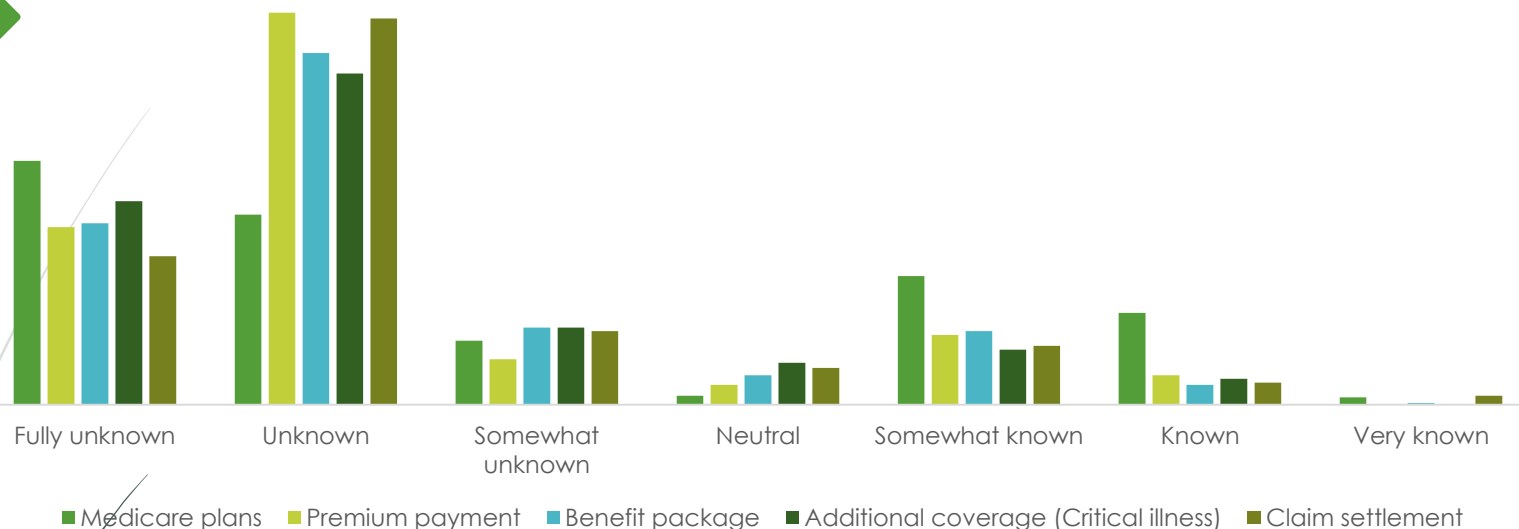
	Fully unknown	Unknown	Somewhat unknown	Neutral	Somewhat known	Known	Very known
Medical plan	33.2%	25.9%	8.7%	1.2%	17.5%	12.5%	1%
Premium payment	24.2%	53.4%	6.2%	2.7%	9.5%	4%	
Benefit package	24.7%	47.9%	10.5%	4%	10%	2.7%	0.2%
Additional coverage (Critical illness)	27.7%	45.1%	10.5%	5.7%	7.5%	3.5%	
Claim settlement	20.2%	52.6%	10%	5%	8%	3%	1.2%

Source: Field data (2021)

Households' attitude towards health insurance

prefer to pay at the time of illness instead of paying for health… 4.98
Medical checkup and doctor's recommendation need to buy 4.97
suitable for older people 5.12
trust health insurance company and agents 4.7
easy to access and afford. 4.74
Rate of return from health insurance is high when you get sick 4.6
promise to offer a relief from out-of-pockets payment 4.82
cheap for loss relative to your financial bankruptcy of unexpected… 4.76
advice of an insurance agent 4.37
family members ,relatives ,friends and colleagues agree to buy… 4.71
interested in health insurance and want to buy it 4.82
good to have health insurance for you and your family 4.9
protect you and your family's financial hardship of huge medical bill 4.89
a form of both saving and protection to you 4.89
the most effective tool in financing health care in low income people 4.73

Source: Field data (2021)

In the study attitude of households , the respondents mostly answered the attitude statements between somewhat agree and agree.

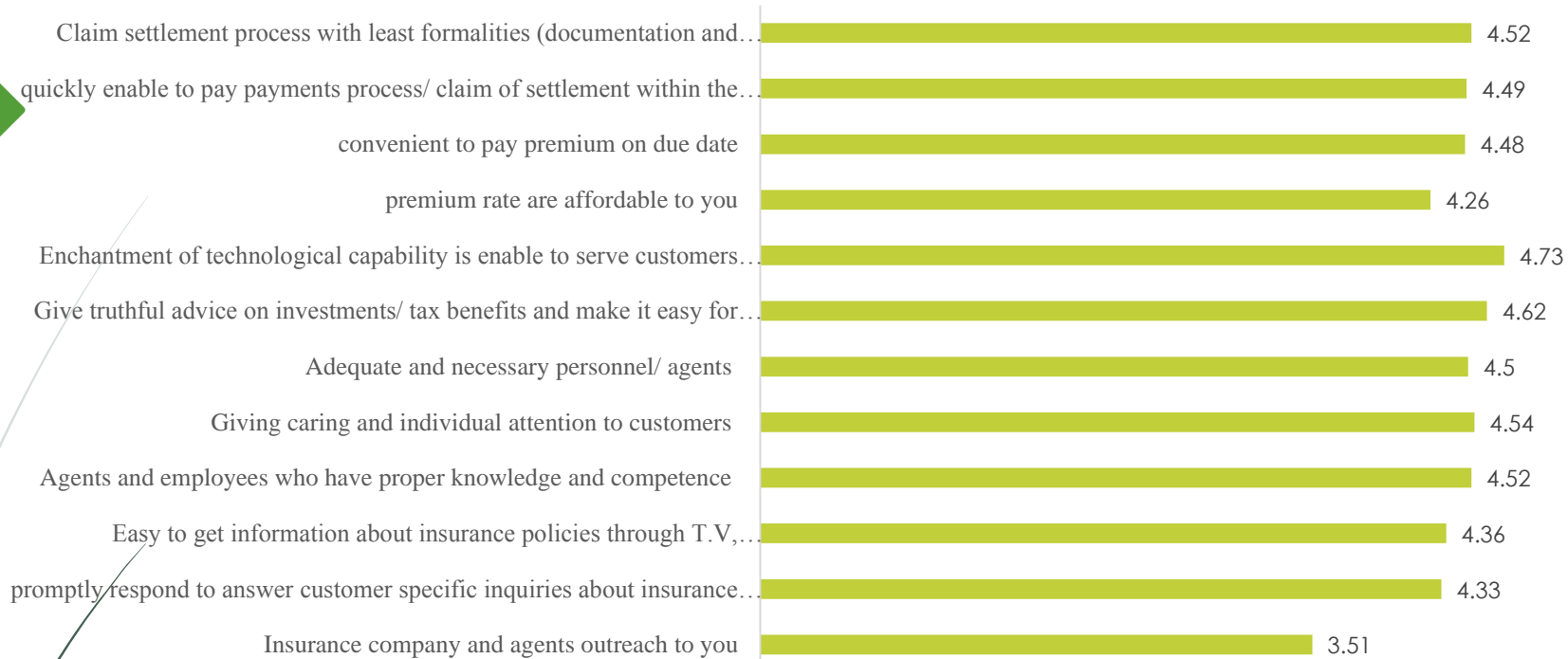This means that most respondents may understand the important of health insurance and have the positive attitude on health insurance .

Practices of insurers towards health insurance

| Practice	Score
Claim settlement process with least formalities (documentation and…	4.52
quickly enable to pay payments process/ claim of settlement within the…	4.49
convenient to pay premium on due date	4.48
premium rate are affordable to you	4.26
Enchantment of technological capability is enable to serve customers…	4.73
Give truthful advice on investments/ tax benefits and make it easy for…	4.62
Adequate and necessary personnel/ agents	4.5
Giving caring and individual attention to customers	4.54
Agents and employees who have proper knowledge and competence	4.52
Easy to get information about insurance policies through T.V,…	4.36
promptly respond to answer customer specific inquiries about insurance…	4.33
Insurance company and agents outreach to you	3.51

Source: Field data (2021)

For the practices of insurers towards health insurance, the households mostly answered the attitude statement on practices of insurers is neutral.

This means that most respondents may have neither positive or negative attitude level on service of insurance companies because of Lack of Intermediaries outreach. So, insurers need to focus on opening up distribution channel and easy to get information system that will be able to reach poor rural side.
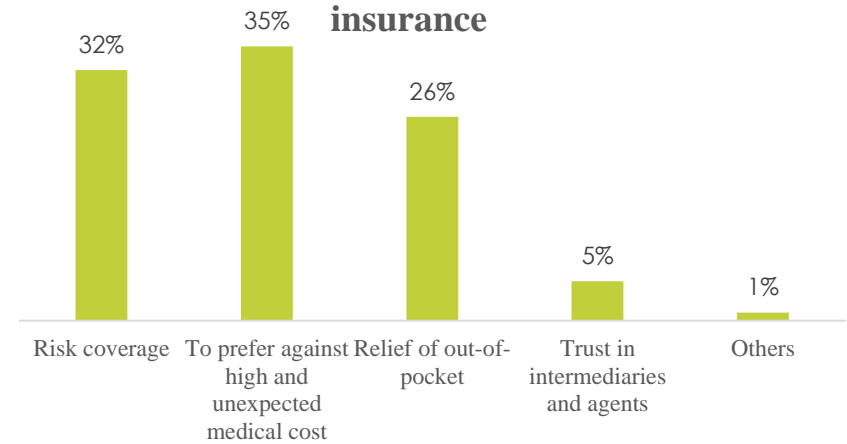
Willingness or unwillingness to buy health insurance(private or public)

23.7%

5.5%

70.8%
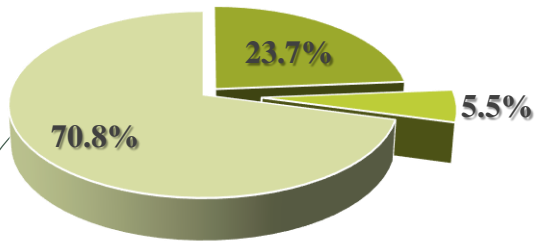
- Yes,Public Insurance
- Yes,Private insurance
- No

Source: Field data (2021)

Objective of willingness to buy health insurance

| | 32% | 35% | 26% | | 5% | 1% |

Risk coverage | To prefer against high and unexpected medical cost | Relief of out-of-pocket | Trust in intermediaries and agents | Others

Barriers of unwillingness to buy health insurance

Long wait time of claim settlement — 1%

Maximum of premium amount — 1%

Difficult and complex producers — 7%

Lack of intermediaries outreach — 17%

Lack of disposal income — 27%

Lack of knowledge — 46%
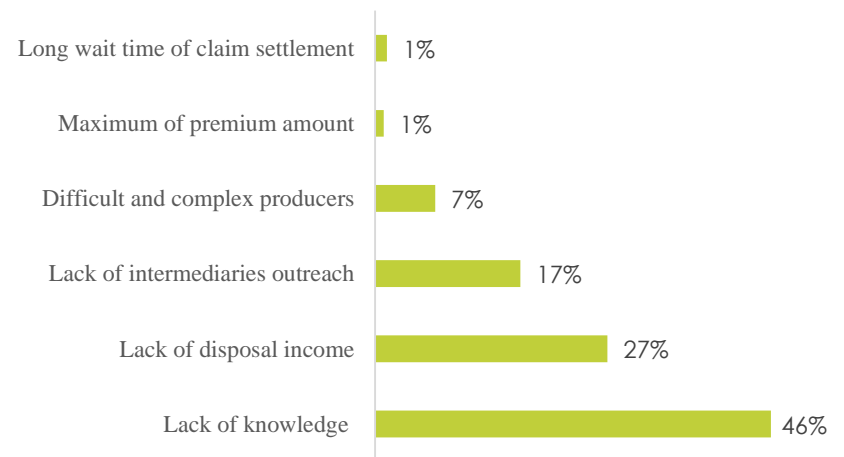
Relationship between Socioeconomic characteristics and acceptance of health insurance

Socio-economic Characteristics	X 2 Value	P-Value
Gender	3.829a	0.050
Age	3.138a	0.371
Education Qualification	76.957a	0.000
Religion	3.001a	0.083
important of religion	1.130 a	0.568
Occupation	20.141a	0.000
Marital Status	3.682a	0.055
Monthly income	11.627a	0.003
Household size	2.259a	0323

Source: Field data (2021)   Notes:***,**,* represent 1% , 5% and 10% Level of significance

In the study results, it is found that there is a positive relationship between gender, education ,occupation and monthly income at 1% and 5% significant level.

Relationship between knowledge about health insurance and acceptance of health insurance

Variables	Willing to buy health insurance		
	Yes	No	Total
Knowledge about health insurance			
Low level	87	279	366
High level	30	5	35
Total	117	284	401
	Chi2=59.318ᵃ	**P=.000**	

Source: Field data (2021)   Notes:***,**,* represent 1% , 5% and 10% Level of significance

In this field area, there are significant relationship between knowledge and willingness to buy health insurance ,having P value 1% level.

Relationship between attitudes towards health insurance and acceptance of health insurance

Variables	Willingness to buy health insurance		
	Yes	No	Total
Attitude towards health insurance			
Low level	36	159	195
High level	81	125	206
Total	117	284	401
	Chi2=21.092[a]	**P=.000**	

Source: Field data (2021)   Notes:***,**,* represent 1% , 5% and 10% Level of significance

The study results shows that there are significant relationship between households' attitude and willingness to buy health insurance ,having P value 1% level.

Relationship between practices of health insurance firms and acceptance of health insurance

Variables	Willingness to buy health insurance		
	Yes	No	Total
Practices of health insurance firms			
Low level	59	215	274
High level	58	69	127
Total	117	284	401
	Chi2=24.465[a]	**P=.000**	

Source: Field data (2021)   Notes:***,**,* represent 1% , 5% and 10% Level of significance

The field data shows that there are significant relationship between practices of insurers and willingness to buy health insurance ,having P value 1% level.

Binary logistic regression for households' willingness to buy health insurance

Independent Variable	Classification	B	Odds ratio	P-value
Constant		-1.524	2.18	0.114
Gender	Male(ref) Female	0.643***	1.90	0.046
Age	Below 30(ref) 30-39 40-49 50 and above	0.02 0.26 0.34	1.02 1.29 1.41	0.964 0.561 0.453
Education	Primary(ref) Secondary High School Graduate Master	0.20 1.33*** 2.38*** 2.13***	1.23 3.77 10.82 8.42	0.726 0.017 0.000 0.021
Marital status	Single(ref) Married	-0.27	0.76	0.408
Religion	Buddhism(ref) Christianity	-1.79	0.17	0.148
Important of Religion	Fair(ref) Important Very important	-0.04 -0.53	0.95 0.59	0.943 0.371
Occupation	Farmers(ref) Private and Public employee Self-employee Other	-0.77 -1.04* -1.16*	0.46 0.35 0.31	0.205 0.093 0.092
Households' size	1-3(ref) 4-6 7 and above	-0.802*** 0.830	0.45 2.29	0.007 0.240
Monthly income	Below 200000(ref) 200000-299999 300000 and above	0.253 0.156	1.29 1.17	0.441 0.744
Knowledge	Low level(ref) High level	1.810***	6.11	0.001
Attitude	Low level(ref) High level	0.658***	1.93	0.038
Practice	Low level(ref) High level	0.474	1.81	1.606

Notes:
***,**,* represent 1% , 5% and 10% Level of significance

Source: Field Data (2021)

8.Conclusion

- In the study results of socioeconomic characteristics ,graduate education of households are the most influence factor for willingness to buy about health insurance.

- Therefore, insurers need to emphasis on not only giving information to be more awareness about health insurance scheme but also highly developed distribution channels and perfecting health insurance policies.

Cont.

- The second influencing factor for willingness to buy about health insurance are knowledge .

- Although households are willingness to buy health insurance product, it need to get more information about health insurance scheme.

- The concept of insurance is very hard to understand and it is often perceived as very complicated. The insurers are able to fully inform their potential customer without fail. The Insurance company and agents will outreach to rural side.

- The third influencing factor for willingness to buy about health insurance are household size .

- The 4 to 6 family member size is large. Because of coverage of unexpected huge medical expenditure and risk coverage for their family member , they are willingness to buy health insurance product.

Cont.

- This study can indicate the point that households' interest can be influenced by focusing their attitude factors.

- Gender and occupation are significantly influence on willingness to buy health insurance .

- In study results, female and public employee influence willingness to purchase health the insurance.

- Based on the results of the research, insurers need to ensure that customer service is at the core of its operation and will need to develop products that are market segmented .

8.Suggesting

➡ Insurance company should outreach to rural side, identify affordable premium rate, promptly respond to answer inquires, implement simplification of the claim process and quickly enable to pay payments process/ claim of settlement within the specified time.

➡ The government should quickly committed itself to attain universal health coverage through developing national health plan .

➡ Insurance company in Myanmar should do the development of health insurance product for covering health risk and financial hardship in rural side .

Thank You For Your Attention