

Health Insurance Coverage and its Determinants among Middle-Income Households in Urban

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ABSTRACT

Background: Health insurance usually covers the expenditure during patient hospitalization. To achieve universal health coverage, it is mandatory to cover the middle-income groups under the government health insurance scheme. According to the review of literature, there is very limited knowledge present on health insurance and the factors determining its coverage among this group.

Objective: The study was conducted to analyze the coverage of health insurance and its factors among the middle class households in urban areas.

Study design: It is a community based study. This study was conducted on 210 participants attended the community medicine department of our hospitals for the duration of one year from November 2021 to October 2022.

Material and Methods: The study was conducted on 210 participants. The written consent was taken from the participants and they were fully aware of the study. Interviews were conducted to find the issues and the point of view of clients and health insurance providers. It was also evaluated that what factors are liked by clients about the health insurance scheme.

Results: There were three categories made to find the client's perspective. One of them was lack of awareness. Then there were monetary issues. There were 28% participants that reported that they have recently insured themselves. There were 62% participants already insured in the past and 62% said that they have never insured themselves.

Conclusion: Middle income families had better health insurance coverage than lower middle class. High premium charges, poor financial condition, lack of guidance, lack of knowledge about benefits of health insurance are some of the factors that lower the prevalence of health insurance.

Keywords: Health insurance and financial condition.

INTRODUCTION

Typically, health insurance covers hospitalization expenses, such as medication, diagnostic testing, hospital charges, and surgery. It minimizes the patient's out-of-pocket cost during hospitalization. People below the poverty level are covered by government-sponsored health insurance programs. Regardless of the provision of public health insurance, rich people are able to pay their own medical bills¹⁻². However, the middle-income group that accounts for approximately 54% of Pakistan's population are expected to reach 78% by 2030. It is also anticipated that it will reach to 82% by 2040. Consequently, their health and health insurance are essential for the nation's economic growth. To attain universal health coverage, it is required to include middle-income families (MIH) in the government health insurance plan. It will prove to be a sustainable development goal³⁻⁴. According to a survey of the literature, relatively little or scarce research has been conducted on health insurance and the factors determining its coverage among urban.

Only 1.04% of Pakistan's gross domestic product is allocated to public health expenditure. Estimated total health expenditures as a proportion of GDP are at 4%, with the private sector's contribution. The public sector contributes roughly 30% of this overall expenditure. Accessing the health services from the private sectors further increases the household's treatment costs. Healthcare costs are more impoverished than ever before⁵. The catastrophic health expenditures have increased in the recent years. Each year, nearly 63 million individuals in Pakistan experience poverty as a consequence of healthcare expenditure. Moreover, the majority of middle-class population seek care from a range of private healthcare providers, by paying expensive treatment fees. This results in catastrophic healthcare expenses and impoverishes low and middle-income people. In terms of healthcare insurances, the equal care and quality was prioritized for all patients⁶. Numerous governments considered social health insurance as a financial instrument to ensure that all individuals have access to inexpensive healthcare. The lack of government

policies to offer quality and equitable healthcare through public hospitals, health insurance is considered one of eminent option in Pakistan. In this perspective, it is crucial to comprehend the appeal of these programs among the population, especially the poor. In metropolitan regions⁷⁻⁸, health insurance awareness and utilization were observed to be lower. According to a research, only 0.3% of insured individuals were able to use their health insurance to cover hospitalization expenses. Only 11% of the rural population was aware of health insurance, and only 6% actually had coverage. Other studies indicated a lack of awareness about social health insurance programs that leads to low enrollment rate among those who are eligible. Determining the coverage of health insurance at the middle income household and individual levels; identifying the factors affecting the health insurance; and investigating the causes of the lack of health insurance were the aims of the present study⁹⁻¹⁰.

MATERIAL AND METHODS

It is a community based study. The sequential exploratory mixed method was used for this study. The 210 participants attended the community medicine department of our institute teaching hospitals were included in the study. The development of the questionnaire was facilitated by the qualitative component. Those who were vocal and willing to give the information were chosen. These interviews were conducted by a graduate student utilizing an interview guide provided by the author. These interviews and conversations provided sufficient information for the questionnaire's development. Each interview lasted 20–30 minutes, or until saturation was reached. These interviews were audio recorded and transcribed within one week to prevent information loss. The outcome of a manual content analysis was used to develop survey questions. There were three categories made to find the client's perspective. One of them was lack of awareness. Clients had no knowledge about the scheme and its benefits. They had no idea what sort of diseases will be covered by health insurance schemes. Then there were monetary issues. As

there exist no money return policy so the clients were reluctant to spend their money. There was some service related issue as well. Three categories were also made to find the provider's perspective that include long documentation process, unreliable insurance agents and problems with the terms and conditions.

EpiData was used for data entry and analyzed with SPSS software. The categorical variables were provided as frequencies and percentages. The prevalence ratio of insurance was calculated with a 95% confidence interval. For identification of the determinants of lack of health insurance at the home level, an adjusted prevalence ratio and 95% CI were calculated. Stata software was used to conduct an adjusted analysis using log binomial regression.

Qualitative data were subjected to manual theme analysis. Two coders performed the coding, which was then compared. In case of disagreement, the conversation with a third party was used as solution.

RESULTS

The study was conducted on 210 participants, written consent was taken from the participants and they were fully aware of the study. interviews were conducted to find the issues and the point of view of clients and health insurance providers to see what factors are liked by clients about the health insurance scheme. There were three categories made to find the client's perspective. One of them was lack of awareness. Clients had no knowledge about the scheme and its benefits. They had no idea what sort of diseases will be covered by health insurance schemes. Then there were monetary issues. As there exist no money return policy so the clients were reluctant to spend their money. There was some service related issue as well. Three categories were also made to find the provider's perspective, that include long documentation process, unreliable insurance agents and problems with the terms and conditions.

Table 1: Data from the manual analysis of the interview conducted

Theme	Categories	Codes
Client's perspective	No awareness	Lack of knowledge about scheme
		No idea about disease coverage
		Lack of awareness about its importance
	Monetary issues	No return money policy
	Service related issues	Limited coverage
Provider's perspective	Unreliable insurance agents	Exhausting documentation process
		No proper information about scheme
	Problems with terms and conditions	Increase in premium as the age is increased
	Long process	Few empaneled hospitals

The status of health insurance among middle class family members was also analyzed. There were 28% participants that reported that they have recently insured themselves. There were 62% participants already insured in the past and 62% said that they have never insured themselves.

Table 2: The status of health insurance and its type among participants

Features	At household state n=140		At individual state (210)	
	n (%)	95% CI	n (%)	95% CI
Healthy insurance state				
Recently insured	40 (28%)	37.2-51	82 (39%)	34.6-41.6
Past insured	88 (62%)	48.9-56.4	111 (52%)	52.4-57.3
Never insured	12 (8.5%)	3-9	17 (8%)	4.3-7.1
Private jobs	123			
Government job	83			

The major reasons that could lead to lack of health insurance was also studied. It was found that among 68 skilled participants there were 60% that were uninsured, there were 76% unskilled participants that were uninsured. Among the 10 retired participants 62% were insured.

Table 3: Analysis of the lack of insurance at household level

Features	Total (n)	Uninsured (%)	Insured (%)
Occupation			
Skilled	68	60.1%	60%
unskilled	20	76%	23%
Semiskilled	112	30%	30%
Retired	10	37%	62%
Family type			
Nuclear	140	55%	41%
Joint	70	54%	45%
Marital status			
Married	211	61%	56%
Others	9	79%	8%
Education			
4-10	29	76%	21%
11-16	182	53%	46%
More than 16	9	34%	68%
Income			
Lower middle class	52	73%	24.3%
Upper middle class	161	53%	46.2%
Upper class	7	23%	72.4%

DISCUSSION

This study was carried out to find the health insurance status and various factors affecting insurance prevalence among middle class urban citizens. Majority of the households reported that because of poor financial condition and expensive rates of insurance companies it not possible for them to have health insurance. The coverage of health insurance in our study was found to be 41%, it is quite higher than that found at the national level¹¹. However, this value was less than the value found as per some of the previous studies¹²⁻¹³. There were many reasons reported which decreased the rate of health insurance percentage among population. Majority of the participants said that they have to spend their income on family, and other household expenditures. So it's very difficult for them to save money for annual health insurance fee. As per studies if health insurance companies give their clients option to pay monthly or annually just as they want then it will increase rate of insured participants¹⁴. As per reports there are majority of the patients that had no exact information about the benefits and pros of health insurance. As per flag ship program policies, there is supply of cashless benefits to their clients so that below poverty clients can also have health insurance policy¹⁵. In future there is need to change certain policies regarding annual health insurance payment so that lower middle class can be saved from expensive health charges.

Low level of education, lack of information regarding benefits of health insurance, unskilled or semi-skilled professions are some of the determinants of less health insurance among middle class population. These findings are in accordance with the previous study¹⁶⁻¹⁷. Since it was not ethically right to ask the participants about their monthly income so alternative ways were used to analyze the socioeconomic status of the participants. If frequent awareness programs are held for people at their work places it will be convenient for health insurance companies to book their clients. Through mass media this issue can be highlighted and its importance can be cleared for uninsured people¹⁸. The factors like income and annual payment can't be changed as such as companies can't work that way. However, policy makers and rules designers should work on some schemes that will be convenient for middle class¹⁹. As per some studies if government pay a part of payment for middle class then it will be easy for them to get insured. As people spend all of their income on their household expenses and their family, it is not possible for them to save and pay for the annual health insurance charges.

As per some studies, some of the health insurance providers also have not done their homework so if clients ask them about policies and wants their ambiguities to be cleared, they are unable to do so²⁰. As a result, due to this unreliable situation they prefer not to agree for this. As per our studies the participants reported that some of the health insurance providers start pressurizing their clients to register for health insurance so that they can achieve their targets set by the companies. As per another study it was found that some of the insurance companies have designed long documentation process prior to register for health insurance, sometimes the clients quit during the documentation process. Long documentation and incomplete guidance from health care providers make them quit their choice. It was observed as per previous studies that upper class families are frequently more popular to get health insurance as compared to lower or middle class families. Similar results were found in our studies as well²¹. As per our studies unmarried participants were more likely to be found uninsured (79%) as compared to married people. Our studies are in accordance with the previous studies where similar results were found (76%). According to some studies, the hidden rules and clauses by certain companies give negative impression in case of many clients as a result they decide not to get insured again. There were 39% individuals that were recently insured and 8% claimed that they never get themselves insured in their life and they were not planning to do it too. The data was selected both from household and individual level.

CONCLUSION

Middle income families had better health insurance coverage than lower middle class. High premium charges, poor financial condition, lack of guidance, lack of knowledge about benefits of health insurance are some of the factors that lower the prevalence of health insurance.

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