



## PERCEPTIONS OF LIC EMPLOYEES IN ANANTAPURAMU DISTRICT ON “PREVENTIVE HEALTH CHECK UP” SCHEME FOR EMPLOYEES IN LIC OF INDIA -AN EMPIRICAL STUDY

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### Abstract

“Health is Wealth” is the age old saying and has a great impact on human lives. If one has a good health, he/she can earn wealth but, if one has wealth he/she cannot buy the health. One has to protect himself / herself from the diseases by following good habits, diet restrictions, exercising regularly and caring himself / herself by visiting a Doctor regularly. Negligence in maintaining our health by following un-healthy practices like lack of exercise, untimely intake of food etc., will lead to disaster. Another saying “Prevention is better than Cure” warns us straight away to think of prevention before the worst has happened. It hints the human beings to take care of the things very early by following preventive methods instead of waiting for the cure after the onset of the disease. Many Organizations have introduced the Preventive Health Check up Schemes to keep their employees in good health and to know the early symptoms causing the ill-health or symptoms of any life threatening diseases or symptoms of any bodily or internal infections, so that the preventive health care or treatment can be commenced at an early stage as it is more economical to invest in the preventive health care rather than to incur heavy expenditure due to hospitalization. The importance & objective of this study is to focus on the “Preventive Health Check up” scheme which was introduced in the Life Insurance Corporation of India for its employees in the year 2013 and to know the perceptions of the LIC employees on the introduction of this Scheme in particular to the Anantapuramu District of Andhra Pradesh State.

**Keywords:** Preventive Health Check up, Wellness programs, Employees, Workplace, Health, Health Care.

### Introduction

The General Medical Examination is a common form of Preventive Medicine involving visits to a general practitioner by well feeling adults on a regular basis generally say yearly or in less frequent intervals. It is known by various names such as General Health Check, Preventive Health examination, Periodic Health evaluation etc. Preventive Health Care consists of disease preventive measures which are quite opposite to the treatment of diseases. Health, disease and disability are dynamic processes which begin before the realization of the individuals that they are affected. Every year lakhs of people meets the death due to preventable diseases. According to the estimates of the World Health Organization (WHO) 55 million people died world wide in 2011, two-thirds out of this died due to non-communicable diseases including Cancer, Diabetes, Cardiovascular and Lung diseases. To prevent such deaths, the preventive health care is important which include the disease screening, identify the risk factors, discussion with the Doctors regarding the healthy and balanced life style and stay up to date with the immunizations and boosters. Some common disease screening include checking for Blood pressure, Diabetes, Cholesterol, Cancer, Depression, Infections like HIV, Hepatitis etc. However, these methods are not affordable for each and every individual and the cost effectiveness of preventive health care is still a topic of debate. (Wikipedia)<sup>1</sup>.

Now, many Organizations are providing this “Preventive Health Check up” or “Preventive Health Care” packages to their employees to keep the employee fit enough to carry on the day to day work in the Office without any hindrances. Where in the entire cost of the package is born by the Organization and it helps the employee as well as the Organization to find out whether the employees are having a good health or they are in need of any medical help. By spending a small amount of money on the employees every year for screening their health the Organizations may gain in terms of increase in the man hours, increase in the productivity etc. Now, there are many Hospitals and Third Party Administrators (TPAs) are having MOUs with the major Employers. Many employers are now preferring cashless preventive health checkup to their employees by tying up with the Hospitals / TPAs, wherein the Employer will fix a date in an year in consultation with the Hospitals/TPAs and inform the employee to undergo health check, so that he need not wait in long queues and thereby save the valuable time of the employee as well as the Employer. Life Insurance Corporation of India is one of the prime financial institutions in India to offer the Preventive Health Checkup to its employees basing on their age. The entire cost of the Preventive Health Checkup will be borne by the employer i.e., Life Insurance Corporation of India.

### Literature Review:

Good Health represents a healthy community and helps the individual maintain a high quality of life and productivity. It is more economical to invest in preventive health care rather than to think of a hospital only in times of distress. Good health is the foundation of a happy, productive and rewarding life. This article describes the application of Lean Approach to



streamline the Health Check Process at Fortis Escorts Hospital, Jaipur. Any service which consists of long queues waiting for the services and consumes lot of valuable time of the individuals for non value added things makes the people lose their interest in it. Value stream mapping (VSM) was applied and complete process was studied to identify the value added activities and non value added activities and the challenges were classified into three categories for improvement. They are : 1. Infrastructure, 2.Process and 3.People. After analyzing, the hospital found that a significant reduction in the waiting time, saving of 15000 man hours, increase of health check ups by 18.5%. (Nihar Bhatia)<sup>2</sup>.

Alka Chadha, Ali Mehdi and Garima Malik in their study “Preventive Health Care and Indian Industry Roles and Responsibilities” concluded by stating that to attain the high growth in the process of development one should be healthy both physically as well as mentally. Health Care system in India is experiencing dramatic changes in a very speedy manner. While the liberalization has brought the employment opportunities to India as well as the massive urbanization and change in life styles. These changes have impact on the spurt in the diseases and health care demands of the people. The Country has to equip with the life threatening diseases of the unprivileged people and also the diseases that affected due to the change of life style and food habits by the well off people. While the well off people utilize the services of the Super Speciality Hospitals at exorbitant rates, where as the large section of the population still suffering in the hands of untrained and unqualified Medical Practitioners due to the poverty and lack of money. In this background, the report stresses the need for preventive health care for the employees through a system followed by the employers. The Government should also contribute by providing necessary amenities like clean drinking water, sanitation, nutrition and environmental protection and should also provide incentives to the Organizations which are investing in preventive health care by providing tax exemptions (as of now, the tax exemption available under Sec 80D of the Income Tax Act is only for medical expenses but not for preventive health check up). (Alca Chadha, Ali Mehdi and Garima Malik)<sup>3</sup>.

Honda Company has adopted a policy of helping associates lead healthy, well balanced lives. The Company carries wide ranging activities to support their associates staying in good health.

#### **Health Management Efforts in Japan**

1. Medical Check-ups: The company has implemented needed medical examinations for associates who are leaving for long business trips, and regular check-ups as required by law. Instead of the statutory age of 40 years or older, the Company is providing the preventive health check-ups from the age of 35 years itself.
2. Preventing Musculoskeletal Disorders: Honda Company is incorporating the ergonomics into the creation of work environments in line with its people friendly production process which includes analysis of workers movements to ensure optimal work position and scope as well as installation of assistive devices and auxiliary lifts for lifting heavy objects by reducing the burden on its associates.
3. Health Guidance: Health guidance to targeted groups was started by the Honda Company in the year 2009 to prevent the onset of diseases, giving advice on improving the associates health rhythm, nutrition guidance as well as exercise instruction with a daily exercise regimen.
4. Health promoting events: Conducting awareness raising activities like walking event to develop good exercise habits and to refresh their associates.
5. Prevention of danger of second hand smoke: Prohibition of smoking inside the buildings, setting non-smoking hours, holding events coinciding the World No Tobacco Day, monthly no-smoking challenge day and supporting associates who want to quit smoking.
6. Mental Health Care: Educating the associates regarding the prevention, improvement of workplace environment, stress checks, counselling programs etc.(Honda Sustainability Report 2015)<sup>4</sup>.

Lighting, noise, dust and ventilation are monitored in work places to ensure limits set by statutory requirements. Effective controls are ensured by provision of control equipments. Annual health checkups are carried out to monitor the health of the employees (Bosch Annual Report, 2013)<sup>5</sup>.

Balancing Office work and personal matters in this busy world is a very difficult one and it will have its impact on the health of the professional. Health Assessment and Lifestyle Enrichment (HALE) program of the Infosys which primarily focusses on programs and events that helps the employees to come out of stress and stay healthy. The HALE team conducted several programs and interventions which included hobby courses, health checkups and talks by health experts (Infosys Annual Report, 2014-2015)<sup>6</sup>.

The report of the study “Workplace Wellness Programs Study” describes findings from four case studies of existing Workplace wellness programs in four different Companies. Employers are now a days are interested in the conducting

Workplace wellness programs to improve employee health, such as wellness screenings / health screenings, onsite clinics, healthier food options in cafeterias, and greater opportunity for physical activities as a means to reduce the burden of chronic diseases and control the cost involved in the treatment of such diseases. The authors focussed on smaller companies that employ 100 to less than 50000 employees, but finally 4 employers with more than 1000 employees were selected and participated in the case studies. The employers were called as Employer-A, Employer-B, Employer-C and Employer-D. Case studies were based on the data collected through semi-structured interviews with Organizational leaders, focus groups with employees, review of program material and direct observation. The study concluded by summarizing the following points: Employer-A, being a large University is a wellness leader among university system institutions that offers a range of wellness activities and events that are available for staff, faculty, students and retirees either free of cost or at a nominal fee. Employer-B, being a State Government Agency whose wellness programmes began with State health plan's support to develop a replicable model of a worksite wellness program and contain the costs of health care. Employer-C, a large service Organization and their wellness program started as a small-scale preventive awareness program and became a comprehensive wellness program which involves various health and wellness activities from biometric screenings to access onsite fitness facilities to marathon training programs. Employer-D, a manufacturing company started its wellness program 10 years ago by partnering with the health plan to improve voluntary onsite wellness screenings and educational programs, but these programmes never yielded good results and the Organizational leaders look to a third party vendor and the company rolled out various wellness activities focussed on fitness and improved nutrition, but the leaders observed mixed results. Implementation of the incentive-based strategy, employee feed back surveys etc., resulted in 100% participation in screenings. (RAND Corporation)<sup>7</sup>.

### Profile of Life Insurance Corporation of India

Life Insurance in India was nationalized by the amalgamation of 154 Indian, 16 Foreign Insurance Companies and 75 Provident Fund Societies and after passing Life Insurance Corporation Act in the Parliament on 19<sup>th</sup> January, 1956. Thus Life Insurance Corporation of India came into existence with effect from 1<sup>st</sup> September, 1956 with an initial investment of Rs. 5 Crores by the Government of India with the objective of spreading Life Insurance much more widely and in particular to the rural areas with a view to reach all Insurable persons in the Country, providing them adequate financial cover at a reasonable cost. After that Life Insurance Corporation of India never looked back. It created history year after year. From a small investment of Rs. 5 Crore in the year 1956, now after 61 years of existence, the Life Insurance Corporation of India scaled new heights and achieved astonishing results.

**Table 1: Organizational Structure and Human Resources as on 31.03.2017**

Zonal Offices	8
Divisional Offices	113
Branch Offices	2048
Satellite Offices	1408
Mini Offices	1238
Employees	115394
Agents	1131181

Source: LIC of India Corporate Profile 2017.

During the Financial Year 2016-17, the Life Insurance Corporation of India has Collected a First Year Premium Income of Rs. 1,24,396.27 Crores with a market share of 71.07%. No. of Policies sold in the Financial Year 2016-17 was nearly 201.31 Lakhs with a market share of 76.09%. The Investment of the Life Insurance Corporation of India in the Government (Central Government, State Governments) and the Social sector as at 31.03.2017 were a whopping 17,32,579 Crores. It has settled 98.34% of Maturity Claims and 99.63% Death Claims in the Financial Year 2016-17, thus becoming one of the top Insurers in the World. The other parameters achieved by the Life Insurance Corporation of India for the Financial Year 2016-17 were:

**Table 2: Other Performance Parameters of LIC of India in the Financial Year 2016-17**

Other Performance Parameters	Rs. In Crores
Total Income	492626.6
Total Premium Income	300196.68
Payment to Policy Holders	167624.27
Total Life Fund	2323802.59
Total Assets	2572028.34

Source: LIC of India Corporate Profile 2017.

### Importance of the Study

“Health is Wealth” is the age old saying and has a great impact on human lives. If one has a good health, he/she can earn wealth but, if one has wealth he/she cannot buy the health. One has to protect himself / herself from the diseases by following good habits, diet restrictions, exercising regularly and caring himself / herself by visiting a Doctor regularly. Negligence in maintaining our health by following un-healthy practices like lack of exercise, untimely intake of food etc., will lead to disaster. Another saying “Prevention is better than Cure” warns us straight away to think of prevention before the worst has happened. It hints the human beings to take care of the things very early by following preventive methods instead of waiting for the cure after the onset of the disease. Hence, the importance of the present study is to focus on the opinion of the LIC Employees on “Preventive Health Check up” scheme which was introduced in the Life Insurance Corporation of India for its employees in the year 2013.

### Objectives of this Research Study

1. To study the Preventive Health Check up scheme which was introduced in Life Insurance Corporation of India for its employees.
2. To know the opinion of the employees of the Life Insurance Corporation of India regarding the implementation of the scheme and analyse the results obtained.
3. To draw the findings and conclusions.

### Research Methodology

A study was conducted among the employees of the Life Insurance Corporation of India, Anantapuramu District. There are 348 employees (all classes put together – Managers/Officers in Class I & Class II, Employees in Class III & IV) available for this survey according to the Objectives and various factors identified as per this study. A sample of 90 comprising of 60 employees and 30 Managers / Officers were selected through Simple Random Sampling and the interview method was adopted for this survey. The questions were put to the respondents and their answers were recorded. The qualitative data was converted in to the quantitative data and the data was further analyzed by using the statistical tools like actual counts, percentages, mean and simple averages. Secondary data was collected from the web sites, online material, articles, books, Annual reports and other publications.

### Limitations

Due to paucity of time, expenditure, financial, transport and other constraints and hindrances, my study was restricted only to Anantapuramu District with regard to primary data and the opinion of the employees of the Life Insurance Corporation of India was collected by way of Simple Random Sampling among the LIC employees of Anantapuramu District only.

### Introduction of Preventive Health Checkup in Life Insurance Corporation of India

The Life Insurance Corporation of India has introduced the Preventive Health Check up to all its permanent confirmed employees aged 40 Years and above.

**Table 3: Conditions of Preventive Health Check up**

Category	Ceiling	Frequency of check up in age band where age is based on last birth day.			
		40-44 years	45-49 years	50-54 years	55-60 years
I (Basic Pay >= Rs. 30750)	Rs. 5000	Once	Twice	Twice	Every Year
II (Basic Pay of Rs. 22146 to Rs. 30749)	Rs. 4000	Once	Twice	Twice	Every Year
III (Basic Pay <Rs. 22146)	Rs. 3000	Once	Twice	Twice	Every Year

Source: NFIFWI Web Site.

The scheme has to be implemented through Corporate tie-ups with hospitals, the agreements will be entered in to with the hospitals by the respective Zonal /Divisional / Branch Offices within their Jurisdiction. The payments with regard to the Preventive Health Check up will be made directly to the hospitals concerned on receipt of confirmation regarding said employee having undergone preventive health check up as per his / her eligibility. No reimbursement to the employee shall be allowed. The eligible amount mentioned in the table is inclusive of Service Tax if any. Now, with effect from 3<sup>rd</sup> July, 2017, the employees are given the option to undergo the Preventive Health Check up at the hospital of their choice any where

in India, authorized by a Zonal Office or a Divisional Office of Life Insurance Corporation of India, subject to the condition that the payment should be made to the Hospital by the concerned employee and the reimbursement of the cost of Preventive Health Check up can be made to the employee on production of the receipt issued by the Hospital where the employee has undergone the Preventive Health Check up.

**Table 4: Opinion of the LIC Employees on the Introduction of Preventive Health Check up as a precautionary measure for keeping the fitness of the employees in the work area**

S.No.	Level of Satisfaction	No. of Respondents	Percentage
1	High	60	66.67
2	Moderate	21	23.33
3	Low	9	10.00
	Total	90	100.00

Source: Field Survey

In the above table 60 employees (66.67%) are highly satisfied, while 21 employees (23.33%) are moderately satisfied and the remaining 9 employees (10%) are less satisfied regarding the implementation of the Preventive Health Check up Scheme in Life Insurance Corporation of India for its employees.

**Table 5: Opinion of the LIC Employees on continuation of the scheme through direct agreement with hospitals.**

S.No.	Level of Satisfaction	No. of Respondents	Percentage
1	High	12	13.33
2	Moderate	21	23.33
3	Low	57	63.34
	Total	90	100.00

Source: Field Survey

The table-5 reveals that the opinion of the LIC employees of Anantapuramu District is not in favour of continuation of the Preventive Health Check up Scheme through direct agreement with the hospitals. It is evident from the table that the satisfaction levels of majority who represents 57 employees (63.34%) of the LIC employees of Anantapuramu District are low with regard to the continuation of the scheme through direct agreement with the hospitals, where as 21 employees (23.33%) are moderately satisfied and 12 employees (13.33%) are highly satisfied.

**Table 6: Opinion of LIC Employees on the revision of the rules to reimburse the cost of Preventive Health Check up to the employee**

S.No.	Level of Satisfaction	No. of Respondents	Percentage
1	High	66	73.33
2	Moderate	18	20.00
3	Low	6	6.67
	Total	90	100.00

Source: Field Survey

Table-6 reveals that the opinion of the LIC employees regarding the revision of the rules relating to reimbursement of the cost of Preventive Health Check up Scheme in LIC of India, where 66 employees (73.33%) are highly satisfied, 18 employees (20%) are moderately satisfied and the minority i.e., only 6 employees (6.67%) are less satisfied. We may conclude that the majority of the sample respondents are highly satisfied regarding the modification of the rule to reimburse the cost of the Preventive Health Check up scheme to the employees directly.

**Table 7: Opinion of LIC Employees on the conditions of age criteria for undergoing the Preventive Health Check up & Frequency of Check up**

S.No.	Level of Satisfaction	No. of Respondents	Percentage
1	High	5	5.56
2	Moderate	37	41.11
3	Low	48	53.33
	Total	90	100.00

Source: Field Survey

The Table-7 analyzes the opinion of the LIC employees with regard to the conditions of age criteria for undergoing the preventive Health Check up & Frequency of the Check up in LIC of India in Anantapuramu District. It is indicated that 48 sample LIC employees consisting of 53.33% are less satisfied, 27 employees consisting of 41.11% are moderately satisfied and 5 employees consisting of 5.56% are highly satisfied. We may conclude that majority of the sample respondents are less satisfied with regard to the conditions of age criteria for undergoing the Preventive Health Check-up in LIC of India and the frequency of the checkup.

### Conclusions

Good Health represents a healthy community and helps the individual maintain a high quality of life and in turn increase the productivity of the Organization. It is more economical to invest in Preventive Health Care rather than to think of a hospital only in times of distress. Good health is the foundation of a happy, productive and rewarding life. This article describes the Preventive Health Check up facility introduced and implemented by the Life Insurance Corporation of India for its employees and their opinion on the Preventive Health Check up Scheme in the Anantapuramu District of Andhra Pradesh State. The study concluded that majority of the employees of the Life Insurance Corporation of India are highly satisfied on the implementation of the Preventive Health Check up Scheme for them and the revision of the rules to reimburse the cost of the Preventive Health Check up to the employees.

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