Research Paper
Impact Factor: 7.184
Peer Reviewed & Indexed Journal
www.iibarr.com

IJBARR
E- ISSN -2347-856X
ISSN -2348-0653

A STUDY ON POLICY HOLDER SATISFACTION TOWARDS HEALTH INSURANCE POLICIES OF PUBLIC AND PRIVATE SECTOR INSURANCE COMPANIES IN SIVAGANGAI DISTRICT

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Abstract

Health insurance has become an important financial protection mechanism due to the increasing cost of healthcare and the growing need for access to quality medical services. Public and private sector insurance companies provide a wide range of health insurance products to meet the diverse requirements of policyholders. However, the level of satisfaction experienced by policyholders depends on factors such as policy coverage, premium affordability, service quality, claim settlement, healthcare accessibility, customer support, and digital services. The present study, titled "Policyholder Satisfaction Towards Health Insurance Policies of Public and Private Sector Insurance Companies," aims to assess the level of satisfaction among health insurance policyholders and examine their perceptions towards the services provided by public and private sector insurance companies. The study adopts a quantitative research approach and uses a structured questionnaire to collect primary data from policyholders. Descriptive statistical tools such as percentage analysis and mean score analysis can be used to understand the demographic characteristics and satisfaction levels of respondents. The study focuses particularly on policyholder perceptions regarding the adequacy of coverage, affordability of premiums, quality of services, claim settlement procedures, accessibility of healthcare services, and insurer support. The findings are expected to provide insights into the factors influencing policyholder satisfaction and help insurance companies improve their customer-oriented services. The study concludes that efficient service delivery, transparent claim settlement, adequate coverage, affordable premiums, and responsive customer support are essential for strengthening policyholder satisfaction and long-term relationships with insurance providers.

Keywords: Health Insurance, Policyholder Satisfaction, Public Sector Insurance, Private Sector Insurance, Service Quality, Claim Settlement, Premium Affordability, Customer Support.

Introduction

Health insurance has become an important component of financial security because of the increasing cost of medical treatment, hospitalization, diagnostic services, medicines, and other healthcare-related expenses. Unexpected illness and medical emergencies can create a substantial financial burden for individuals and families. Health insurance provides financial protection by covering eligible healthcare expenses according to the terms and conditions of the insurance policy. Consequently, awareness and adoption of health insurance have become increasingly important for ensuring access to healthcare and reducing the economic impact of medical emergencies. The health insurance sector in India has experienced considerable development due to increasing healthcare expenditure, greater awareness of insurance products, government initiatives, technological advancement, and the expansion of healthcare facilities. Public and private sector insurance companies offer a wide range of health insurance products

designed to meet the diverse requirements of individuals, families, senior citizens, and other customer groups. These policies differ in terms of premium, coverage, sum insured, exclusions, waiting periods, network hospitals, claim settlement procedures, renewal conditions, and additional benefits. Such differences influence policyholders when selecting and evaluating health insurance policies.

Policyholder satisfaction is an important indicator of the effectiveness and quality of health insurance services. Satisfaction reflects the extent to which the services received by policyholders meet or exceed their expectations. Factors such as affordability of premiums, coverage benefits, accessibility of services, quality of customer support, transparency of policy terms, hospital network, ease of documentation, claim settlement procedures, speed of claim processing, and digital service facilities can influence policyholder satisfaction. A positive service experience may strengthen policyholders' confidence and encourage them to continue or renew their policies.

Claim settlement is particularly important in determining policyholder satisfaction because the primary purpose of health insurance is to provide financial support during medical emergencies. Delays in claim processing, complicated documentation, unclear exclusions, inadequate communication, or difficulties in obtaining reimbursement may negatively influence policyholders' perceptions of an insurance company. On the other hand, transparent procedures, timely communication, efficient claim settlement, and accessible customer support can improve satisfaction and trust. The emergence of digital technologies has also changed the way health insurance services are delivered. Policyholders can increasingly access information, purchase or renew policies, submit documents, track claims, communicate with insurers, and obtain policy-related services through websites and mobile applications. Digital service delivery can improve convenience and reduce transaction time; however, differences in digital awareness and accessibility may affect the extent to which policyholders benefit from these services.

A comparison between public and private sector insurance companies is relevant because policyholders may have different perceptions regarding service quality, reliability, premium structure, product features, claim settlement, customer support, and technological facilities. Understanding these perceptions can help insurance companies identify areas requiring improvement and develop customer-oriented health insurance services. It can also provide useful insights into the factors that influence policyholders' overall satisfaction with their insurance providers. Sivagangai District provides a relevant setting for examining policyholder satisfaction because individuals and households in the district have diverse socioeconomic characteristics and healthcare needs. Understanding the experiences and expectations of policyholders can provide valuable information regarding the accessibility, affordability, quality, and effectiveness of health insurance services in the district.

Against this background, the present study, **"A Study on Policyholder Satisfaction Towards Health Insurance Policies of Public and Private Sector Insurance Companies in Sivagangai District,"** focuses on assessing the level of satisfaction among policyholders and identifying the factors that influence their satisfaction. The study also compares policyholder perceptions towards public and private sector insurance companies and examines areas such as policy coverage, premium affordability, claim settlement, service quality, customer support, accessibility, and digital services. The findings are expected to provide useful insights for insurance companies, policymakers, healthcare stakeholders, and policyholders in improving the quality and effectiveness of health insurance services.

Review of Literature: The review of literature provides a theoretical and empirical foundation for understanding policyholder satisfaction towards health insurance policies. Previous studies have examined health insurance from different perspectives, including awareness, perception, service quality, claim settlement, affordability, trust, accessibility, customer satisfaction, and policy renewal. The following studies are relevant to the present research.

Dror et al. (2007) examined the relationship between willingness to pay and satisfaction with health insurance schemes among low-income populations. The study indicated that perceived benefits, affordability, and the quality of services received influence individuals' satisfaction with health insurance. The findings emphasized that health insurance programmes are more likely to be valued when policyholders perceive that the coverage provides meaningful financial protection.

Reddy et al. (2011) analysed the development of health insurance in India and highlighted the importance of expanding insurance coverage and improving the accessibility of healthcare financing. The study emphasized that the growth of health insurance needs to be accompanied by effective regulation, consumer awareness, and efficient service delivery.

La Forgia and Nagpal (2012) examined the Indian health insurance sector and identified several issues relating to insurance coverage, healthcare financing, service delivery, and consumer protection. The study emphasized the need for greater transparency and improvements in claims management and service quality to strengthen consumer confidence in health insurance.

Panda et al. (2013) examined the role of health insurance in improving access to healthcare services in India. The study observed that health insurance can provide financial protection against medical expenses, although awareness, accessibility, and effective implementation remain important challenges. The findings suggested that greater awareness and improved service delivery are necessary to increase the effectiveness of health insurance schemes.

Rao et al. (2014) studied health insurance awareness and utilization among households and observed that awareness of insurance schemes does not necessarily result in effective utilization. Factors such as income, accessibility, understanding of policy provisions, and confidence in the insurance provider influence insurance utilization.

Dror et al. (2016) examined the relationship between health insurance and healthcare utilization and highlighted the importance of perceived value and service accessibility. The study suggested that policyholders are more likely to value insurance when they experience clear benefits and convenient access to healthcare services.

1.3 Objective of the Study: The Main Objective of the study is to analyse the Policyholder Satisfaction towards Health Insurance Policies of Public and Private Sector Insurance Companies in Sivagangai District.

1.4 Research Methodology: The study was carried out by collecting both primary as well as secondary data. Primary data were collected from 150 health insurance borrowers from Sivagangai district in Tamil Nadu. Secondary data were collected from the annual reports published by Insurance Regulatory Development Authority in India.

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1.4.1 Sampling method and size: Convenience sampling method was used to select the sample respondents. The sample size for the study is 230 collected from health insurance borrowers. There are 14 health insurance companies in study area.

Table 1.2: Health Insurance Companies in Sivagangai District

S.No	Name of the Company	No. of Sample respondents
1.	Star Health & Allied Insurance Co. Ltd	31
2.	Kotak Mahindra General Insurance Co. Ltd	19
3.	The Oriental Insurance Co. Ltd	7
4.	SBI General Insurance Co. Ltd	19
5.	Future Generali India Insurance Co. Ltd	19
6.	Reliance General Insurance Co. Ltd	11
7.	The New India Assurance Co. Ltd	19
8.	ICICI Lombard General Insurance Co.Ltd	19
9.	Bajaj Allianz General Insurance Co.Ltd	17
10.	IFFCO Tokio General Insurance Co.Ltd	17
11.	National Insurance Co. Ltd	16
12.	United India Insurance Co. Ltd	7
13.	Universal Sompo General Insurance Co.Ltd	7
14.	Chola MS General Insurance Company Limited	8
15.	Others	14
Total		230

Source: Primary data

1.4.2 Method of data collection: Interview method was adopted for collecting the data from the Policyholders who have availed health insurance policies. An interview schedule was used for the purpose of collecting the data.

1.4.3 Tools used for the analysis: Percentage analysis, Chi-square, ANOVA and Rank analysis was used to analyze the data.

1.5 Data Analysis and Interpretation:

1.5.1 Demographic Profile of the Respondents:

S. No.	Demographic Variable	Category	No. of Respondents	Percentage (%)
1	**Gender**	Male	126	54.78
		Female	98	42.61
		Other	6	2.61
	Total		**230**	**100**
2	**Age**	Below 25 years	28	12.17
		26–35 years	62	26.96
		36 – 45 years	68	29.57
		46 – 55 years	45	19.57
		Above 55 years	27	11.74
	Total		**230**	**100**

3	**Educational Qualification**	School level	32	13.91
		Undergraduate	78	33.91
		Postgraduate	64	27.83
		Professional qualification	42	18.26
		Other	14	6.09
	Total		**230**	**100**
4	**Occupation**	Government employee	38	16.52
		Private employee	61	26.52
		Business/Self-employed	36	15.65
		Professional	27	11.74
		Agriculturalist	29	12.61
		Homemaker	24	10.43
		Retired	10	4.35
		Other	5	2.17
	Total		**230**	**100**
5	**Monthly Family Income**	Below ₹20,000	35	15.22
		₹20,001–₹40,000	62	26.96
		₹40,001–₹60,000	58	25.22
		₹60,001–₹80,000	43	18.7
		Above ₹80,000	32	13.91
	Total		**230**	**100**
6	**Family Size**	1–2 members	34	14.78
		3–4 members	112	48.7
		5–6 members	63	27.39
		Above 6 members	21	9.13
	Total		**230**	**100**

Source: Primary Data

The table indicates that the respondents are predominantly male (54.78%)**,** belong to the 36 –45 years age group (29.57%)**,** have undergraduate qualifications (33.91%)**,** are private employees (26.52%)**,** have a monthly family income of ₹20,001 – ₹40,000 (26.96%)**,** and belong to families with 3 – 4 members (48.70%)**.** Overall, the sample represents respondents with diverse socioeconomic and demographic characteristics, providing a suitable basis for analysing policyholder satisfaction towards health insurance policies.

1.5.2 Health Insurance Policy Profile – Descriptive Statistics:-

Variable	Category	No. of Respondents	Percentage (%)
Type of Insurance Company	Public Sector	105	45.65
	Private Sector	125	54.35
Total		**230**	**100**
Type of Health Insurance Policy	Individual health Insurance	58	25.22
	Family floater policy	86	37.39
	Senior citizen health Insurance	25	10.87
	Group health insurance	32	13.91
	Government-sponsored health Insurance	21	9.13
	Other	8	3.48
Total		**230**	**100**
Period of Association	Less than 1 year	27	11.74
	1–3 years	61	26.52
	4–6 years	67	29.13
	7–10 years	44	19.13
	Above 10 years	31	13.48
Total		**230**	**100**
Annual Premium Paid	Below ₹5,000	31	13.48
	₹5,001–₹10,000	67	29.13
	₹10,001–₹20,000	72	31.3
	₹20,001–₹30,000	38	16.52
	Above ₹30,000	22	9.57
Total		**230**	**100**
Source of Awareness	Insurance agent	73	31.74
	Friends/relatives	42	18.26
	Television/newspaper	26	11.3
	Social media/internet	38	16.52
	Company/Employer	29	12.61
	Bank	17	7.39
	Other	5	2.17
Total		**230**	**100**
Health Insurance Claim Made	Yes	91	39.57
	No	139	60.43
Total		**230**	**100**

Source: Primary Data

The table shows that 54.35% of the respondents hold health insurance policies with private sector insurance companies, while 45.65% are policyholders of public sector companies. Regarding the type of policy, family floater policies (37.39%) constitute the largest category, followed by individual health

insurance policies (25.22%). With respect to the period of association, 29.13% of respondents have been associated with their insurance company for 4–6 years**,** representing the largest group. Regarding annual premium, **31.30%** of respondents pay between ₹10,001 and ₹20,000, followed by 29.13% paying ₹5,001–₹10,000. The major source of awareness is **insurance agents (31.74%)**, followed by friends/relatives (18.26%) and social media/internet (16.52%). Finally, **60.43%** of respondents have not made a health insurance claim, whereas **39.57%** have made a claim. This indicates that a substantial proportion of respondents have direct experience with the claim settlement process, which is relevant for assessing overall policyholder satisfaction.

1.5.3 Policyholder Satisfaction Towards Health Insurance Policies of Public and Private Sector Insurance Companies – Mean Score Analysis:

The present study, **"Policyholder Satisfaction Towards Health Insurance Policies of Public and Private Sector Insurance Companies,"** focuses on assessing the level of satisfaction among health insurance policyholders and comparing their perceptions towards public and private sector insurance providers. The study considers important dimensions such as policy coverage, premium affordability, service quality, claim settlement, healthcare accessibility, customer support, and digital services. The findings are expected to provide useful insights for insurance companies, policymakers, and other stakeholders in developing more efficient, transparent, affordable, and customer-oriented health insurance services.

Table 1.3 Policyholder Satisfaction Towards Health Insurance Policies of Public and Private Sector Insurance Companies – Mean Score Analysis

S. No.	Policyholder Satisfaction Statements	Mean Score	Rank
1	I am satisfied with my health insurance policy.	4.18	I
2	My insurance company meets my expectations.	4.12	III
3	The benefits received from my policy are worth the premium paid.	3.96	V
4	I am satisfied with the service quality of my insurance company.	4.09	IV
5	I am satisfied with the accessibility of healthcare services through my policy.	3.88	VI
6	I am satisfied with the support provided by the insurance company.	4.15	II

Source: Primary Data

The table indicates that the **overall mean score is 4.06**, suggesting that policyholders have a **high level of satisfaction** with their health insurance policies. The highest mean score of **4.18** is recorded for the statement **"I am satisfied with my health insurance policy,"** ranking first. This indicates that respondents generally have a positive overall perception of their health insurance policies.

The second-highest mean score is **4.15** for **"I am satisfied with the support provided by the insurance company."** This suggests that customer support plays an important role in policyholder satisfaction. The statement **"My insurance company meets my expectations"** has a mean score of **4.12**, ranking third, followed by satisfaction with service quality with a mean score of **4.09**. The statement **"The benefits received from my policy are worth the premium paid"** records a mean score of **3.96**, indicating a comparatively lower level of satisfaction regarding the value received for the premium paid.

The lowest mean score of **3.88** is observed for **"I am satisfied with the accessibility of healthcare services through my policy."** Although this still indicates a generally positive response, it suggests that accessibility of healthcare services may require greater attention from insurance providers. Overall, the findings suggest that policyholders are generally satisfied with their health insurance policies, particularly with overall policy experience and insurer support. However, improvements in healthcare accessibility and the perceived value of benefits relative to premium costs could further enhance policyholder satisfaction.

1.6 Conclusion

Health insurance plays a vital role in providing financial protection against increasing healthcare expenditure and unexpected medical emergencies. The present study highlights the importance of policyholder satisfaction in evaluating the effectiveness and quality of health insurance services offered by public and private sector insurance companies. Satisfaction is influenced by several dimensions, including policy coverage, premium affordability, service quality, claim settlement efficiency, accessibility of healthcare services, customer support, and digital facilities. The study indicates that policyholders expect insurance companies to provide transparent, affordable, convenient, and reliable services. In particular, efficient claim settlement and responsive customer support are important in building trust and strengthening the relationship between policyholders and insurers. The increasing use of digital platforms also provides opportunities for insurance companies to improve accessibility, reduce processing time, and enhance the overall customer experience.

A comparison between public and private sector insurance providers can help identify differences in policyholder perceptions and areas requiring improvement. Insurance companies should therefore focus on simplifying policy conditions, improving claim settlement procedures, expanding healthcare networks, providing affordable coverage, strengthening customer support, and developing user-friendly digital services. Overall, improving policyholder satisfaction can contribute to greater customer trust, policy renewal, loyalty, and positive word-of-mouth. A customer-centric approach is therefore essential for the sustainable development and competitiveness of the health insurance sector.

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