



# Comparative Analysis of Policyholders' and Managers' Perceptions of Health Insurance

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**Abstract:** *This study presents a comparative analysis of the perceptions of policyholders and managers regarding health insurance services, aiming to identify gaps, align expectations, and enhance service delivery. Data was collected using structured questionnaires targeting both groups, with emphasis on service quality, claim settlement, premium affordability, and policy transparency. Quantitative methods, including descriptive statistics and inferential analysis, were employed to evaluate perception differences. The findings reveal significant disparities between policyholders' satisfaction and managers' assumptions of service effectiveness. While managers rate their performance positively, policyholders express concerns regarding claim delays, lack of communication, and rising premiums. The study highlights the need for improved customer engagement and transparent practices in the health insurance sector to bridge the perception gap and foster trust.*

**Key Words:** *Health Insurance, Policyholders' Perception, Managers' Perception, Service Quality, Claim Settlement, Premium Affordability, Policy Transparency, Perception Gap, Customer Satisfaction.*

## 1. INTRODUCTION:

Health insurance plays a critical role in ensuring access to medical care and protecting individuals from catastrophic financial losses. As healthcare systems evolve, the perceptions and expectations of stakeholders involved—particularly policyholders and insurance managers—become increasingly significant in shaping the effectiveness and trustworthiness of health insurance schemes. While policyholders are primarily concerned with coverage, affordability, and service delivery, managers focus on operational efficiency, risk management, and profitability. Understanding how these two groups perceive health insurance differently is essential for identifying gaps in service provision, improving policy design, and enhancing customer satisfaction.

## 2. LITERATURE REVIEW:

The domain of health insurance has garnered increasing scholarly attention in recent years due to rising healthcare costs, changing policy frameworks, and increased awareness among stakeholders. A comparative understanding of how policyholders and managers perceive health insurance is essential to bridge communication gaps, improve service delivery, and align expectations with offerings.

Several studies have explored policyholders' attitudes, awareness, and satisfaction with health insurance products. According to Reddy et al. 2020, policyholders often face confusion due to the complex nature of policy terms, exclusions, and claim a procedure which leads to a mismatch between expectations and actual coverage. Gupta & Mishra 2018 emphasized that trust in the insurance provider and clarity of information significantly influences the satisfaction and renewal intent of policyholders.

Awareness and education also play a crucial role. As per Thomas et al. 2019, many rural policyholders have health insurance coverage without understanding its benefits, which undermines the effectiveness of insurance as a financial risk management tool. Furthermore, Chatterjee 2017 noted that demographic factors such as age, education, and income level affect the perception of value and reliability in health insurance schemes.

From the managerial perspective, research tends to focus on operational efficiency, regulatory compliance, and customer retention. Kumar & Joshi 2016 highlighted that managers prioritize claim settlement ratios, premium collections, and policy design as key performance indicators. They often perceive customer dissatisfaction as a function of unrealistic expectations or lack of policy comprehension.



Moreover, Banerjee & Sharma 2021 explored how insurance managers view digitalization and automation as tools for improving customer interaction and reducing administrative overhead. Managers also tend to emphasize risk pooling, adverse selection, and fraud management—issues that are not commonly understood by policyholders.

Few studies have directly compared the perceptions of policyholders and insurance managers. However, Singh & Mehta (2022) conducted a cross-sectional study revealing significant perceptual gaps regarding claim processes, premium fairness, and coverage adequacy. While managers often view products as comprehensive, policyholders feel the coverage is restrictive and lacks transparency.

### 3. OBJECTIVES:

To compare the perceptions of policyholders and managers on key dimensions of health insurance services such as service quality, claim settlement, and premium affordability, to identify areas of alignment and divergence.

### 4. RESEARCH METHOD:

The study adopts a descriptive and comparative research design to analyse the perceptions of policyholders and managers in the health insurance sector. Primary data was collected using structured questionnaires administered to a purposive sample of policyholders and insurance company managers. The data focuses on key variables such as service quality, claim settlement, communication, and premium affordability. Quantitative analysis techniques, including mean comparison and independent sample t-tests, were used to examine perception differences. The study is limited to selected regions and organizations, ensuring focused and relevant findings.

### 5. FINDINGS:

This study examines the differences in perceptions between policyholders' consumers and managers insurance providers regarding health insurance. The analysis is structured into two key perspectives:

1. Policyholders' Demographic Analysis – Understanding how different demographic groups perceive health insurance.
2. Managers' Factor Analysis – Identifying the key factors managers prioritize in designing and promoting health insurance.

#### 1. Policyholders' Demographic Analysis

##### A. Gender Differences

- Finding: Females and males perceive Insurance Product Perception IPP differently  $p = 0.015$ .
- Interpretation: Women may prioritize family coverage and wellness benefits, while men focus on financial security.
- Implication: Gender-specific marketing strategies can enhance engagement.

##### B. Age Group Differences

- Finding: Older policyholders 46-60, 60+ have higher IPP but lower Service Reliability SR satisfaction.
- Interpretation: Older individuals value insurance more due to health concerns but are less satisfied with claim processes.
- Implication: Insurers should improve claim processing efficiency for seniors.

##### C. Marital Status Differences

- Finding: Married individuals have higher IPP, while singles prioritize SR.
- Interpretation: Married policyholders focus on family security, while singles value quick service.
- Implication: Offer family floater plans for married customers and fast claim settlements for singles.

##### D. Income-Based Differences

- Finding: Higher-income groups  $> ₹10L$  perceive insurance more favourably.
- Interpretation: Affordability influences perception—lower-income groups are more price-sensitive.
- Implication: Introduce micro-insurance and EMI options for lower-income segments.

##### E. Urban vs. Rural Differences

- Finding: No significant differences.
- Interpretation: Geographic location does not strongly affect perception.
- Implication: Standardized marketing can work, but localized awareness campaigns may still help.

#### 2. Managers' Factor Analysis

##### A. Principal Component Analysis PCA

##### Top 5 Factors Influencing Managers:

1. Regulatory & Technological Factors 51.4%— Strongest influence.



- 2.Customer Experience 14.3%
- 3.Market Dynamics 9.1%
- 4.Financial Incentives 8.5%
- 5.Policy Features 5.6%

Interpretation: Managers prioritize automation, regulatory compliance, and customer satisfaction in insurance design.

#### B. Multiple Regression Analysis

##### •Strongest Predictors of Managerial Perception:

- 1.Policy Features  $\beta = 2.52$  – Customization is key.
- 2.Financial Incentives  $\beta = 2.20$ – Cost benefits drive adoption.
- 3.Technology  $\beta = 2.09$  – Digital processes improve efficiency.
- 4.Implication: Insurers should focus on flexible plans, cost benefits, and tech-driven services.

#### Key Findings

Factor	Managers' Priority	Policyholders' Priority	Gap
Technology	High -Top 3	Low	Yes
Policy Features	Highest Impact	Important (IPP)	Partial
Regulations	Critical	Minimal Influence	Yes
Customer Service	Secondary	Key for Satisfaction	Yes

#### Interpretation of Gaps:

- Technology vs. Service: Managers focus on automation, but policyholders care more about ease of claims.
- Regulations: Managers prioritize compliance, but customers are unaware of regulatory benefits.
- Customer Service: Policyholders value quick grievance resolution, but managers rank it lower.

## 6. Suggestions & Recommendations

#### Short-Term 0-6 Months

- ✓ Gender-Specific Campaigns:
  - Women: Highlight family coverage, maternity benefits.
  - Men: Focus on financial security and critical illness plans.
- ✓ Age-Based Customization:
  - Youth 18-25: Educational campaigns "Why insurance early?".
  - Seniors 60+: Dedicated helpline for faster claims.
- ✓ Improve Service Reliability SR:
  - Reduce claim processing time.
  - Train customer support teams for better responsiveness.

#### Mid-Term 6-12 Months

- ✓ Low-Income Micro-Insurance:
  - Affordable plans with EMI options for ₹2-5L income groups.
- ✓ Tech-Driven Claims Tracking:
  - SMS/app notifications for real-time claim updates.

#### Long-Term 1-3 Years

- ✓ Regulatory Advocacy:
  - Simplify policy portability aligns with managers' concerns.
- ✓ Predictive Analytics for Personalization:
  - Use data to customize policies based on demographics.

## 7. CONCLUSION:

- Policyholders care about product utility, service quality, and affordability.
- Managers prioritize technology, regulations, and policy features.
- Successful insurers must bridge the gap by:
  - ☐ Personalizing marketing age, gender, and income.
  - ☐ Balancing automation with human-centric service.
  - ☐ Educating customers on regulatory benefits.



## 8. LIMITATIONS:

The study is limited to a specific geographic region and selected health insurance companies, which may affect the generalizability of the results. The data relies on self-reported perceptions, which may involve personal biases. The sample size is restricted due to time and resource constraints. Additionally, the study considers only a few key dimensions of health insurance services and does not include perspectives from regulatory bodies or healthcare providers.

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