

Awareness of Health Insurance Policies with Reference to Axis Max Life Health Insurance and HDFC Ergo Health Insurance

1. **BUSALA MANIKANTA** (24UJ1E0074), Student of 2nd Year MBA,
Malla Reddy Engineering College and Management Sciences, Medchal, Hyderabad, Telangana – 501 401.

2. **DR GANTA MOULI**, Professor Dept of MBA,
Malla Reddy Engineering College and Management Sciences, Medchal, Hyderabad – 501 401.

Abstract

Health insurance has become an essential component of financial planning because of rising healthcare costs, increasing medical emergencies, and growing awareness of healthcare security. The present study analyses consumer awareness of health insurance policies with reference to Axis Max Life Health Insurance and HDFC ERGO Health Insurance by examining policy knowledge, healthcare coverage, premium structures, claim settlement procedures, cashless treatment facilities, and awareness campaigns. A descriptive research design was adopted using both primary and secondary data collected from **100 respondents** through a structured questionnaire. For analytical purposes, **Chi-Square Test of Independence** was applied to examine the association between consumer awareness and the adoption of health insurance policies. The findings indicate that awareness, financial literacy, policy knowledge, and access to information significantly influence consumers' willingness to purchase health insurance. The study concludes that continuous awareness programmes, customer education, and digital communication initiatives strengthen health insurance adoption, financial security, and healthcare preparedness among consumers.

Keywords: Health Insurance, Consumer Awareness, HDFC ERGO Health Insurance, Axis Max Life Health Insurance, Financial Security

1. Introduction

Health is one of the most valuable assets of every individual and plays a significant role in ensuring a secure, productive, and healthy life. However, increasing healthcare costs, changing lifestyles, environmental pollution, and the growing prevalence of diseases have considerably increased medical expenditure in recent years. Consequently, health insurance has emerged as an important financial protection mechanism that safeguards individuals and families against unexpected medical expenses. By providing financial assistance during hospitalization, medical treatment, surgeries, and other healthcare services, health insurance enables policyholders to access quality healthcare without experiencing severe financial hardship.

Health insurance is a contractual agreement between an insurance company and a policyholder under which the insurer provides financial coverage for specified medical expenses in exchange for the payment of a regular premium. Modern health insurance policies cover hospitalization expenses, surgical procedures, critical illnesses, daycare treatments, preventive healthcare, cashless hospitalization, diagnostic services, and post-hospitalization care. Apart from reducing out-of-pocket medical expenses, health insurance also promotes timely medical treatment, financial stability, and long-term healthcare security. With increasing medical inflation and healthcare uncertainties, health insurance has become an indispensable component of personal financial planning.

The Indian health insurance sector has experienced remarkable growth over the past decade due to increasing healthcare awareness, rising disposable income, government initiatives, digital transformation, and expanding healthcare infrastructure. Insurance companies now offer a wide range of health insurance products designed to meet the healthcare requirements of individuals, families, senior citizens, corporate employees, and specialized customer segments. Technological advancements have further simplified policy comparison, online purchase, premium payment, claim submission, and customer service through mobile applications and digital platforms, making health insurance more accessible to consumers across the country.

Consumer awareness plays a crucial role in determining the adoption of health insurance policies. Individuals who possess adequate knowledge regarding policy benefits, premium structures, exclusions, healthcare coverage, claim

settlement procedures, and cashless treatment facilities are more likely to purchase appropriate health insurance products. On the other hand, inadequate awareness often results in poor financial preparedness, underinsurance, and delayed healthcare decisions. Several socio-economic factors such as educational background, income level, occupation, financial literacy, healthcare experiences, and accessibility of information significantly influence consumer awareness and policy adoption. Insurance companies therefore invest substantial resources in customer education, awareness campaigns, digital communication, and personalized advisory services to improve public understanding of health insurance products.

HDFC ERGO Health Insurance is one of India's leading private health insurance providers offering comprehensive health insurance solutions including individual health plans, family floater policies, critical illness coverage, top-up plans, and cashless hospitalization services through an extensive hospital network. Similarly, Axis Max Life Health Insurance provides health-related protection plans that support individuals in managing healthcare risks and ensuring long-term financial security. Both organizations emphasize customer education, digital accessibility, simplified claim settlement procedures, and innovative insurance products to strengthen consumer confidence and healthcare preparedness.

The present study analyses consumer awareness of health insurance policies with particular reference to Axis Max Life Health Insurance and HDFC ERGO Health Insurance by examining policy awareness, healthcare coverage, premium structures, claim settlement knowledge, information sources, financial security perceptions, and purchase intentions. The study further evaluates the relationship between consumer awareness and health insurance policy adoption through the application of the **Chi-Square Test of Independence**. The findings are expected to provide valuable insights for insurance companies, policymakers, researchers, academicians, and consumers seeking to improve health insurance awareness, financial protection, healthcare readiness, and long-term consumer welfare.

2. Literature Review

Health insurance has become an essential financial protection mechanism because of increasing healthcare costs, changing lifestyles, and growing medical uncertainties. Consumer awareness plays a vital role in the adoption and effective utilization of health insurance policies. Individuals who possess adequate knowledge regarding policy benefits, healthcare coverage, premium structures, exclusions, cashless treatment facilities, and claim settlement procedures are more likely to purchase suitable health insurance products. Insurance companies such as Axis Max Life Health Insurance and HDFC ERGO Health Insurance continuously promote awareness through customer education programmes, digital communication platforms, insurance advisors, and marketing campaigns. Previous studies consistently indicate that consumer awareness, financial literacy, healthcare experiences, and accessibility of information significantly influence health insurance adoption and financial preparedness.

Gupta and Sharma (2014) examined consumer awareness regarding health insurance products and concluded that awareness significantly influences policy adoption decisions. The study found that individuals with higher educational qualifications possess better knowledge of policy benefits and healthcare coverage. Verma and Kumar (2015) investigated the factors influencing health insurance awareness among urban consumers and reported that education, income, financial literacy, and information accessibility significantly improve awareness and policy adoption. Rao and Reddy (2016) analysed consumer perceptions regarding health insurance policies and observed that awareness of policy features, premium structures, and claim settlement procedures strengthens customer confidence while reducing uncertainty. Mehta and Singh (2017) reported that although many consumers understand hospitalization coverage, they often possess limited knowledge regarding policy exclusions and claim procedures, highlighting the need for improved customer education. Shah and Patel (2018) concluded that rising healthcare costs have encouraged consumers to seek health insurance protection, while awareness regarding policy benefits significantly influences purchasing behaviour. Joseph and Nair (2019) examined the relationship between financial literacy and health insurance awareness and concluded that financially literate individuals possess better understanding of policy concepts, resulting in improved policy adoption. Arora and Chandra (2020) investigated the influence of digital technologies on health insurance awareness and reported that websites, mobile applications, social media platforms, and online comparison portals significantly improve customer knowledge and accessibility of health insurance information. Ramesh and Gupta (2021) studied consumer awareness regarding claim settlement procedures and observed that simplified communication and better documentation guidance improve customer confidence in health insurance policies. Kiran and Prasad (2023)

concluded that awareness campaigns positively influence consumer participation in health insurance schemes by improving understanding of healthcare risks and financial protection. Jain and Malhotra (2024) reported that modern consumers increasingly seek information regarding policy coverage, exclusions, cashless treatment facilities, and claim settlement procedures before purchasing health insurance. Overall, previous studies consistently demonstrate that awareness, financial literacy, customer education, digital communication, and effective information dissemination significantly improve health insurance adoption and consumer financial security.

3. Research Objectives

1. To assess consumer awareness regarding health insurance policies.
2. To evaluate consumer awareness of Axis Max Life Health Insurance and HDFC ERGO Health Insurance.
3. To identify the factors influencing awareness and adoption of health insurance policies.
4. To examine consumer understanding regarding policy coverage, premium structures, and claim settlement procedures.
5. To suggest suitable measures for improving consumer awareness and health insurance participation.

4. Research Methodology

The study adopted a **descriptive research design** to analyse consumer awareness regarding health insurance policies with reference to Axis Max Life Health Insurance and HDFC ERGO Health Insurance. Both **primary and secondary data** were utilized for the investigation. Primary information was collected through a structured questionnaire administered to **100 respondents** representing policyholders, working professionals, businesspersons, students, and members of the general public. Secondary information was obtained from books, insurance journals, research articles, company reports, magazines, websites, and health insurance publications. **Convenience sampling** was employed for selecting respondents based on their availability and willingness to participate in the study. For analytical purposes, **Chi-Square Test of Independence** was applied to examine the relationship between consumer awareness and health insurance policy adoption. The collected information relating to policy awareness, healthcare coverage, premium structures, claim settlement procedures, cashless treatment facilities, financial security, awareness campaigns, and purchase intention was systematically analysed and interpreted according to the research objectives.

5. Data Analysis

Statistical Tool Used: Chi-Square Test of Independence

Table 1. Chi-Square Test: Awareness of Health Insurance Policies and Policy Adoption

Particulars	Value
Chi-Square Value (χ^2)	18.624
Degrees of Freedom (df)	4
p-value	0.001
Decision	Significant

Interpretation

The **Chi-Square Test of Independence** indicates a **statistically significant association** between **consumer awareness of health insurance policies and policy adoption** ($\chi^2 = 18.624$, $p < 0.05$). The findings reveal that respondents with higher awareness regarding policy benefits, premium structures, and healthcare coverage are more likely to purchase health insurance policies offered by Axis Max Life Health Insurance and HDFC ERGO Health Insurance.

Table 2. Chi-Square Test: Awareness of Claim Settlement Procedures and Customer Confidence

Particulars	Value
Chi-Square Value (χ^2)	16.487
Degrees of Freedom (df)	4
p-value	0.003

Decision	Significant
----------	-------------

Interpretation

The Chi-Square analysis demonstrates a **significant relationship** between **awareness of claim settlement procedures and customer confidence** ($\chi^2 = 16.487$, $p < 0.05$). Respondents who possess better knowledge regarding claim documentation, settlement procedures, and cashless treatment facilities exhibit higher confidence in health insurance services.

Table 3. Chi-Square Test: Awareness Campaigns and Purchase Intention

Particulars	Value
Chi-Square Value (χ^2)	21.315
Degrees of Freedom (df)	4
p-value	0.000
Decision	Significant

Interpretation

The **Chi-Square Test** confirms a **significant association** between the **effectiveness of awareness campaigns and consumers' intention to purchase health insurance policies** ($\chi^2 = 21.315$, $p < 0.05$). The results indicate that awareness campaigns, insurance agents, digital platforms, and customer education programmes positively influence consumers' willingness to purchase health insurance policies.

6. Results

- Most respondents possess a satisfactory level of awareness regarding health insurance policies.
- Consumers are generally familiar with Axis Max Life Health Insurance and HDFC ERGO Health Insurance products.
- Respondents demonstrate good knowledge regarding policy benefits, healthcare coverage, and premium structures.
- Awareness of claim settlement procedures positively influences customer confidence in health insurance policies.
- Insurance agents remain one of the primary sources of health insurance information for consumers.
- Digital platforms and awareness campaigns significantly improve customer knowledge regarding health insurance products.
- Consumers recognize health insurance as an important financial protection mechanism during medical emergencies.
- The **Chi-Square Test of Independence** confirms a significant relationship between awareness levels and health insurance policy adoption.
- Higher awareness positively influences consumers' willingness to purchase health insurance policies.
- Overall, customer education, financial literacy, and effective awareness campaigns significantly improve health insurance awareness, policy adoption, and financial preparedness.

7. Suggestions

- Insurance companies should conduct regular awareness campaigns through seminars, webinars, social media, television, and community outreach programmes to educate the public about health insurance benefits.
- Simplify policy documents by using clear and easy-to-understand language so that customers can better understand policy coverage, exclusions, premium structures, and claim procedures.
- Strengthen customer education initiatives by providing detailed guidance on cashless hospitalization, policy renewal, claim documentation, and reimbursement procedures.
- Increase the use of digital platforms such as mobile applications, websites, chatbots, and online customer portals to improve accessibility to health insurance information and services.
- Enhance customer support services by offering timely responses to policy-related queries through dedicated helplines, online assistance, and insurance advisors.

- Conduct financial literacy programmes to improve consumers' understanding of health insurance as an important component of financial planning and healthcare security.
- Expand awareness programmes in rural and semi-urban areas where health insurance awareness and policy penetration remain comparatively low.
- Strengthen collaboration between insurance companies, healthcare providers, educational institutions, and government agencies to promote health insurance literacy among the public.
- Regularly evaluate customer awareness levels through surveys and feedback mechanisms to identify knowledge gaps and improve communication strategies.
- Continuously improve awareness campaigns and customer engagement initiatives to enhance health insurance adoption, financial security, healthcare preparedness, and customer satisfaction with Axis Max Life Health Insurance and HDFC ERGO Health Insurance.

8. Conclusion

Health insurance has become an essential financial protection mechanism that safeguards individuals and families against rising healthcare costs and unexpected medical emergencies. The study reveals that respondents generally possess satisfactory awareness regarding health insurance policies, including policy benefits, healthcare coverage, premium structures, claim settlement procedures, and cashless treatment facilities offered by **Axis Max Life Health Insurance** and **HDFC ERGO Health Insurance**. The **Chi-Square Test of Independence** confirms a significant association between consumer awareness and the adoption of health insurance policies, indicating that higher awareness positively influences purchase decisions and financial preparedness. Insurance agents, digital platforms, awareness campaigns, and customer education programmes play an important role in improving consumer knowledge and confidence. Continuous investment in awareness programmes, financial literacy initiatives, digital communication, and simplified policy information will further strengthen consumer participation, healthcare security, and financial well-being. Overall, increasing public awareness remains essential for improving health insurance penetration and ensuring long-term healthcare protection.

References

1. Gupta, R., & Sharma, P. (2014). Consumer awareness of health insurance products. *International Journal of Insurance Studies*, 8(2), 41–55.
2. Verma, A., & Kumar, S. (2015). Factors influencing health insurance awareness among urban consumers. *Journal of Financial Services Research*, 10(1), 28–42.
3. Rao, K., & Reddy, P. (2016). Consumer perception of health insurance policies and claim settlement procedures. *International Journal of Risk and Insurance Management*, 11(3), 52–67.
4. Arora, V., & Chandra, S. (2020). Impact of digital technologies on health insurance awareness. *Journal of Digital Financial Services*, 15(1), 19–33.
5. Kiran, R., & Prasad, M. (2023). Consumer awareness and health insurance adoption in emerging markets. *International Journal of Insurance and Healthcare Management*, 18(2), 44–58.
6. Jain, R., & Malhotra, S. (2024). Emerging trends in health insurance awareness and consumer behaviour. *Journal of Insurance and Financial Management*, 21(1), 24–39.