

Willingness to participate in Contributory Health Protection Scheme: A Study among Rural Households in Assam

Bhaswati Adhikary*

&

Debabrata Das**

Abstract:

Majority of the Indian rural population still lacks adequate financial protection against healthcare costs. Although health insurance schemes have the potential to improve the situation, the distribution of private insurance schemes is regressive, and it is not possible to introduce numerous fully-government funded policies due to fiscal constraints. Hence, the study proposes the concept of contributory health financing schemes to address the prevailing gap. The study attempted to estimate rural households' willingness to engage in such plans. The study is based on a survey of 1080 households covering three rural districts of Assam. To estimate the willingness of rural households to participate in a contributory health scheme, the contingent valuation method was used. Descriptive statistics, binary regressions, and correlation tests were also used to analyze the data. A clear trend in willingness to participate in a contributory health insurance (CHI) scheme is observed with wide variation across demographics. Households with experience of medical treatment are more likely to enroll in CHI policies. Surprisingly, the households that are familiar with the concept of health insurance are reluctant to appreciate the idea of CHI, and the majority still lacks proper knowledge about the benefits of health insurance schemes. The households' annual income level moderately influences the premium willing to pay for a safety net.

Keywords: Contributory Health Insurance Scheme, Willingness to pay, Financial Protection, Health Policy, Healthcare Costs.

* The author is Research Scholar, Department of Business Administration, Tezpur University, Tezpur, Assam.

** The author is Vice Chancellor, Assam Rajiv Gandhi University of Cooperative Management (ARGUCOM), Joysagar, Sivasagar, Assam.