

Spotlight on insurance (Part II): A look at health insurance

The prospect of failing health or long-term illness occurring in later years has more than half of the Lebanese polled concerned about becoming a burden to others. The survey, conducted in April 2003 by *Information International*, was based on a randomly selected sample of 400 Lebanese adults, according to certain age and gender specifications. The population proportionate sample was derived from the number of registered voters across different areas of Greater Beirut.

Following Part I of li Monthly's insurance survey (see Issue 12 for the life insurance category), Part II explores the results of the health insurance segment of the survey.

Who is covered by health insurance?

At the time of the survey, approximately 60% of the residents of Greater Beirut were insured, according to the survey (see [Graph 1](#)).

The number of respondents more likely to have some form of public insurance, through the National Social Security Fund, the military or government co-ops is greater than the number having private insurance, as shown in [Graph 2](#).

The survey also indicated that the majority of respondents had insured themselves personally, followed by those who had employer-based coverage. The different insurance sources (public and private) are distributed as follows:

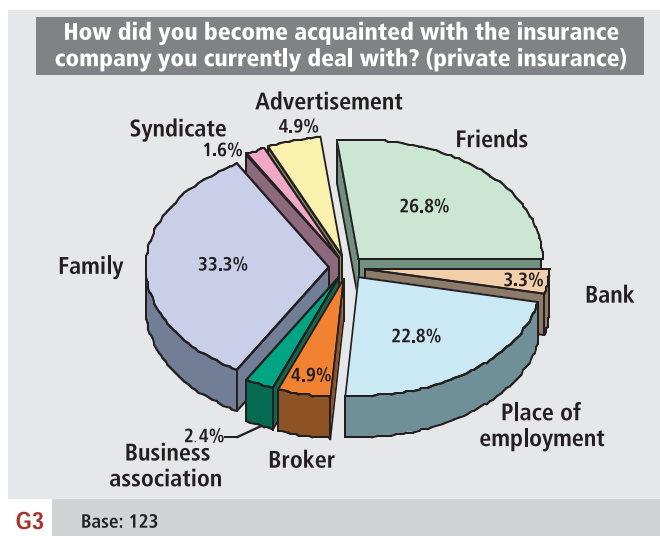
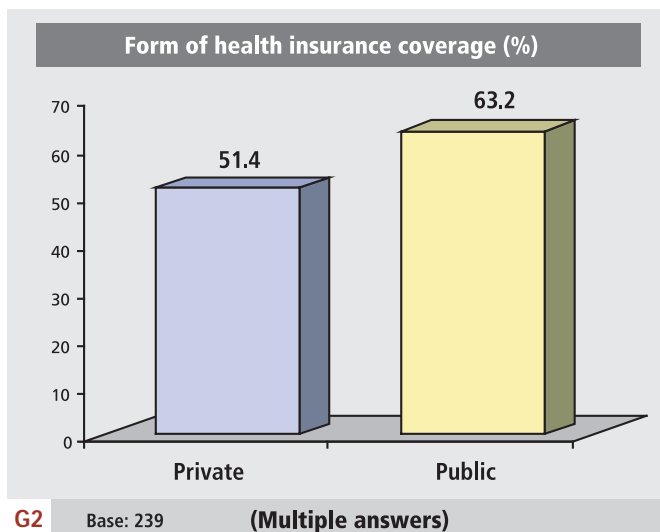
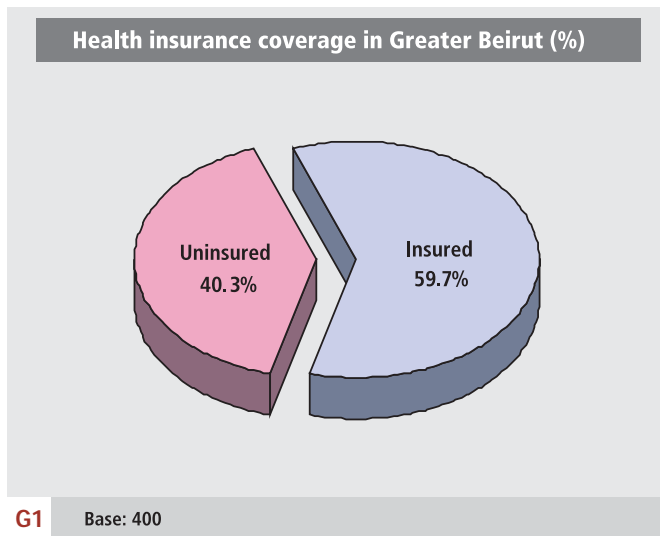
- n Personal: 30.5%
- n Employer: 23.8%
- n Spousal: 23.4%
- n Parental: 9.2%
- n Syndicate: 4.2%
- n Co-op: 2.5%
- n Other: 6.4%

Individuals in the metropolitan Beirut area are more likely to be insured, with approximately 95% of the residents covered, compared to progressively lower percentages in the rest of Greater Beirut.

[Graph 3](#) illustrates how most respondents first became acquainted with the insurance company they currently deal with (for private health insurance), indicating that the majority were informed by their family, followed by friends and their place of work.

Health insurance coverage by age

While penetration of health insurance coverage within the different age groups was relatively comparable, the 22–34 age category had the lowest penetration rates, but constituted the largest



target market for insurance companies, owing to its size.

Health insurance coverage by work status

According to the survey, 12.7% of working individuals do not have health insurance, as shown in Graph 4, with the majority indicating that the single most important factor was the cost of that coverage.

The reasons given by respondents for not insuring themselves with a private company were as follows:

- n Can't handle the expense: 50.5%
- n Have other health insurance: 34%
- n Not interested/waste of money: 11.3%
- n Other: 4.2%

However, the results showed that employment was not a crucial factor in terms of health insurance coverage, with over 90% of the unemployed individuals surveyed having some form of health insurance (this figure was found to be higher than the working insured on account of over 50% who are covered through a spouse or through parents).

In addition, almost 78% of working individuals who are insured are working in companies that do not offer employer-sponsored health insurance.

Consistent with theories such as Maslow's hierarchy of needs, these results may reflect the increasing outlook on health insurance as a basic need, with unemployed individuals or those without access to coverage through work seeking it out regardless. A statistical correlation between the two was carried out, which verified the results. In contrast, employer-sponsored life insurance coverage was found to be a factor contributing to increased penetration.

Graph 5 illustrates respondents' perceptions regarding the importance of both categories of insurance.

Factors considered when purchasing health insurance

Respondents were asked to rank the importance of factors when purchasing a health insurance policy on a scale of 1 to 3, with 3 being the most important. As indicated in Graph 6, an insurance company's reputation was rated as the most significant factor, and on average, received a rank of 2.95. This is followed by an average of 2.94 for the price of the policy, while policy coverage ranked 2.93. Ease in dealing with the company was next with 2.91, and the size of the insurance firm received an average of 2.63. Personal contact with the company was the least important factor with an average rank of 2.54 n

Check out the next issues of iMonthly for results of the survey's property and travel insurance categories.

