



Cover Page



AN ANALYSIS OF CONSUMER SATISFACTION WITH MEDISEP INSURANCE AMONG STATE GOVERNMENT EMPLOYEES AND PENSIONERS IN THE MALABAR REGION OF KERALA

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Abstract

This study investigates consumer satisfaction with the MEDISEP insurance scheme among state government employees and pensioners in the Malabar region of Kerala. Employing a structured questionnaire and quantitative analysis, the research evaluates key dimensions including awareness, benefit utilization, efficiency of claim settlement, and overall satisfaction with the scheme. The findings highlight significant gaps in communication, hospital accessibility, and service reliability, despite the perceived financial advantages. Based on the results, the study recommends enhancing awareness campaigns, expanding the empanelled hospital network, and simplifying the claims process to improve user satisfaction. These insights offer valuable implications for policymakers seeking to enhance the effectiveness and reach of public health insurance schemes.

Keywords: MEDISEP, consumer satisfaction, public health insurance, state government employees, pensioners, healthcare accessibility, Kerala, Malabar region, claim settlement, policy improvement

1. Introduction

The Medical Insurance Scheme for State Employees and Pensioners (MEDISEP) is a comprehensive health insurance initiative introduced by the Government of Kerala. Administered by the Oriental Insurance Company, the scheme offers cashless medical treatment to eligible state government employees, pensioners, and their dependents. Coverage includes a broad spectrum of beneficiaries such as teaching and non-teaching staff, civil service officers, university employees, and other designated officials. MEDISEP encompasses costs related to medications, medical procedures, consultations, room charges, and the treatment of pre-existing conditions at empanelled hospitals. In emergency situations, treatments received at non-empanelled hospitals are also reimbursable, subject to predefined rates. Funded through a fixed premium contribution by the beneficiaries, the scheme aims to provide financial protection and improve healthcare accessibility across the public sector.

2. Significance of the Study

The implementation of the MEDISEP scheme marks a significant step toward universal health coverage for public sector employees in Kerala. However, the effectiveness of such schemes is largely dependent on the satisfaction and active participation of the beneficiaries. This study seeks to evaluate consumer satisfaction with the MEDISEP scheme among state government employees and pensioners in the Malabar region. It explores the beneficiaries' level of awareness, perception of service quality, and experiences with claim settlement processes. By identifying strengths and shortcomings of the scheme from the user perspective, the study provides valuable insights into employee attitudes and the practical challenges faced in its implementation. The findings are expected to support evidence-based recommendations for improving the scheme's efficiency, reach, and overall impact.

3. Objectives of the Study

- To assess the level of awareness regarding the MEDISEP insurance scheme among government employees and pensioners in the Malabar region, and to analyse variations based on gender.



Cover Page



- To examine the relationship between the frequency of availing MEDISEP benefits and the overall satisfaction of beneficiaries.
- To evaluate the beneficiaries’ awareness and experiences concerning the claim settlement process under the scheme.
- To provide policy recommendations aimed at enhancing the effectiveness and user satisfaction of the MEDISEP scheme.

4. Hypotheses of the Study

The study is guided by the following null hypotheses:

- **H₀₁**: There is no significant difference in the awareness level of the MEDISEP scheme between government employees and pensioners based on gender.
- **H₀₂**: There is no significant relationship between the frequency of availing MEDISEP benefits and the overall consumer satisfaction.
- **H₀₃**: There is no significant level of awareness among government employees and pensioners regarding the claim settlement process under the MEDISEP scheme.

5. Research Methodology

The research adopts a quantitative approach to systematically examine consumer satisfaction with the MEDISEP insurance scheme among state government employees and pensioners in the Malabar region of Kerala. A structured questionnaire was developed to collect primary data on various dimensions including awareness levels, frequency of benefit usage, claim settlement experiences, and overall satisfaction. The sample was selected using stratified random sampling to ensure representation across different demographic groups. Statistical tools such as descriptive analysis, chi-square tests, and correlation analysis were employed to test the hypotheses and draw inferences. This methodological framework enables a comprehensive evaluation of the effectiveness and user experience of the MEDISEP scheme, thereby supporting data-driven policy recommendations.

6. Discussion of Findings

The key findings of the study are presented and discussed in the following sections:

Table No: 6A – Awareness Level of Respondents

Statement	Mean	Rank
I feel well-informed about the MEDISEP scheme and its benefits.	18.93	4
The government has effectively communicated the details of the MEDISEP scheme.	16.66	5
I regularly receive updates regarding the MEDISEP scheme and its features.	16.46	6
I understand the eligibility criteria and procedures for availing MEDISEP benefits.	22.2	1
I actively seek updates regarding any changes or additions to the MEDISEP scheme.	21.46	2



Cover Page



I am aware of the hospitals and medical institutions empaneled under the MEDISEP scheme.	20.13	3
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Discussion

The findings indicate that respondents exhibit the highest level of awareness regarding the eligibility criteria and procedures for availing benefits under the MEDISEP scheme (Mean = 22.20, Rank 1). This is followed by proactive engagement in seeking updates (Mean = 21.46, Rank 2) and awareness of empaneled hospitals (Mean = 20.13, Rank 3). However, lower mean scores were observed for receiving regular updates (Mean = 16.46, Rank 6) and perceptions of effective government communication (Mean = 16.66, Rank 5). These results suggest that while the overall awareness is moderate, there is a clear need for improved communication and more consistent dissemination of scheme-related updates to enhance beneficiary engagement.

Table No: 6B - Impact of Frequency of Availing MEDISEP Benefits

Statement	Mean	Rank
I frequently avail the benefits provided under the MEDISEP scheme.	17.66	3
My satisfaction with the MEDISEP scheme increases with the frequency of usage.	18.06	2
The services provided through MEDISEP are consistent and reliable every time I use them.	16.93	4
Availing MEDISEP benefits has reduced my financial burden on healthcare expenses.	18.73	1
The scheme encourages me to seek timely medical care without worrying about costs	17.66	3
Repeated claims processing is handled efficiently by the scheme.	15.33	5

Discussion

The analysis reveals that the most positively perceived aspect of the MEDISEP scheme is its role in reducing the financial burden of healthcare expenses (Mean = 18.73, Rank 1). This is followed by increased satisfaction with more frequent usage (Mean = 18.06, Rank 2). Respondents also acknowledged that the scheme encourages them to seek timely medical care without financial hesitation (Mean = 17.66, Rank 3). However, lower scores were recorded for service consistency (Mean = 16.93, Rank 4) and the efficiency of processing repeated claims (Mean = 15.33, Rank 5), suggesting these as areas for improvement. Addressing service reliability and streamlining claims procedures could significantly enhance the scheme's effectiveness and overall user satisfaction.



Cover Page



Table No: 6C – Perceptions of the Claim Settlement Process under the MEDISEP Scheme

Statement	Mean	Rank
The claim settlement process under the MEDISEP scheme is quick and efficient.	19.86	1
The claim submission process simple and easy to follow.	19.26	2
Delays in the claim settlement process have reduced my overall satisfaction with MEDISEP.	19.11	3
Clear communication is provided throughout the claim settlement process.	17.8	5
I am confident in the accuracy of claim approvals under the MEDISEP scheme.	16.26	6
The availability of online claim tracking enhances my experience with the scheme	18.53	4

Discussion

The analysis of the claim settlement process reveals that beneficiaries perceive it as generally efficient, with the highest mean score attributed to the speed and effectiveness of claim settlements (Mean = 19.86, Rank 1). The claim submission process is also regarded as user-friendly (Mean = 19.26, Rank 2). However, delays in processing claims have had a measurable negative impact on overall satisfaction (Mean = 19.11, Rank 3). The availability of online claim tracking (Mean = 18.53, Rank 4) is viewed positively and contributes to a better user experience. Nevertheless, lower mean scores for communication clarity (Mean = 17.80, Rank 5) and confidence in the accuracy of claim approvals (Mean = 16.26, Rank 6) indicate areas needing attention. Enhancing transparency, timely communication, and accuracy in claim approvals would likely improve user trust and overall satisfaction with the scheme.

Table No: 6D – Recommendations for Improvement

Statement	Mean	Rank
MEDISEP scheme can be improved by increasing the number of empanelled hospitals	28.13	4
Awareness programs can enhance MEDISEP 's effectiveness	27.53	5
Simplifying the claim settlement process would increase user satisfaction.	28.46	1
Regular feedback from beneficiaries should be considered to improve the scheme.	28.33	2
Improved communication channels would make it easier to resolve queries about MEDISEP.	28.33	2
Regular training or workshops can educate MEDISEP beneficiaries	28.2	3



Cover Page



Discussion

The findings indicate several strategic areas for enhancing the effectiveness of the MEDISEP scheme. The top recommendation, with the highest mean score (28.46), is to simplify the claim settlement process, suggesting that beneficiaries view procedural complexity as a major barrier to satisfaction. Equally important are the implementation of improved communication channels and the incorporation of regular feedback from beneficiaries (both Mean = 28.33), highlighting the need for greater user engagement and support. Conducting regular training sessions and workshops (Mean = 28.20) is also recommended to improve beneficiary awareness and utilization of the scheme. Increasing the number of empanelled hospitals (Mean = 28.13) and running targeted awareness programs (Mean = 27.53) are seen as beneficial for expanding access and understanding. Overall, the data underscores the importance of enhancing transparency, communication, and accessibility to improve the scheme's reach and effectiveness.

7. Hypothesis Testing Results

Hypothesis:

- **Null Hypothesis (H₀):** There is no significant difference in the awareness level of the MEDISEP scheme between government employees and pensioners based on gender.
- **Alternative Hypothesis (H₁):** There is a significant difference in the awareness level of the MEDISEP scheme between government employees and pensioners based on gender.

Statistical Test Used: Mann–Whitney U Test

This non-parametric test was employed to evaluate differences in awareness levels across gender groups, as the data did not meet the assumptions for parametric testing.

Test Results:

	Awareness level
Mann-Whitney U	97.500
Wilcoxon W	307.500
Z	-.901
Asymp. Sig. (2-tailed)	.368
Exact Sig. [2*(1-tailed Sig.)]	.387 ^b
a. Grouping Variable: Gender	
b. Not corrected for ties.	

Notes:

^a Grouping variable: Gender

^b Not corrected for ties

Interpretation:

The p-value for the two-tailed test is 0.368, which exceeds the standard significance threshold of 0.05. Consequently, the null hypothesis cannot be rejected. This indicates that there is no statistically significant difference in awareness levels of the MEDISEP scheme between male and female respondents.

Conclusion:

1. The results show that gender does not significantly influence awareness levels regarding the MEDISEP scheme among government employees and pensioners.



Cover Page



- The Z-score of -0.901 reflects a minor difference between the groups, likely attributable to random variation rather than a meaningful disparity.
- As the p-value exceeds 0.05, there is insufficient evidence to support the alternative hypothesis (H_1), affirming that awareness levels are statistically comparable across genders.

8. Hypothesis Testing Using Spearman’s Rank Correlation

Hypothesis:

- **Null Hypothesis (H_0):** There is no significant relationship between the frequency of availing MEDISEP benefits and overall satisfaction.
- **Alternative Hypothesis (H_1):** There is a significant relationship between the frequency of availing MEDISEP benefits and overall satisfaction.

Statistical Test Employed:

Spearman’s Rank Correlation Coefficient was used to assess the strength and direction of the relationship between two ordinal variables: frequency of availing benefits and satisfaction level.

Test Results:

			FA	SL
Spearman's rho	FREQUENCY AVAILING	Correlation Coefficient	1.000	.657**
		Sig. (2-tailed)		.000
		N	100	100
	STISFACTION LEVEL	Correlation Coefficient	.657**	1.000
		Sig. (2-tailed)	.000	
		N	100	100

Interpretation:

- The Spearman’s correlation coefficient ($\rho = 0.657$) indicates a moderate to strong positive relationship between the frequency of availing MEDISEP benefits and overall satisfaction. This suggests that beneficiaries who use the scheme more frequently tend to report higher satisfaction levels.
- The p-value (0.000) is well below the conventional threshold of 0.05, confirming that the observed correlation is statistically significant.
- Given the statistically significant p-value, the null hypothesis (H_0) is rejected in favour of the alternative hypothesis (H_1), establishing that frequency of usage is positively and significantly associated with satisfaction.



Cover Page



Conclusions and Implications:

The analysis reveals that increased utilization of the MEDISEP scheme is positively linked to greater satisfaction among beneficiaries. This could be attributed to enhanced familiarity with the scheme’s processes, more effective access to services, and the financial relief it provides.

These findings suggest that policymakers should prioritize initiatives that promote regular and informed use of the MEDISEP scheme. Expanding awareness campaigns, simplifying access, and educating beneficiaries on the available benefits can help improve satisfaction and overall scheme effectiveness.

Future research may investigate specific dimensions of satisfaction—such as perceived service quality, claim processing efficiency, and hospital network adequacy—to offer more targeted recommendations for policy enhancement.

9. Hypothesis Testing Using Spearman’s Rank Correlation

Hypothesis Statement:

- **Null Hypothesis (H₀):** There is no significant relationship between awareness levels among government employees and pensioners and their understanding of the claim settlement process under the MEDISEP scheme.
- **Alternative Hypothesis (H₁):** There is a significant relationship between awareness levels among government employees and pensioners and their understanding of the claim settlement process.

Statistical Method:

Spearman’s Rank Correlation Coefficient was applied to assess the strength and direction of association between the level of awareness and understanding of the claim settlement process.

Test Results:

Correlations			Awareness level	Claim settlement
Spearman's rho	Awareness level	Correlation Coefficient	1	.548**
		Sig. (2-tailed)	.	<.001
		N	100	100
	Claim settlement	Correlation Coefficient	.548**	1
		Sig. (2-tailed)	<.001	.
		N	100	100
** Correlation is significant at the 0.01 level (2-tailed).				



Cover Page



Interpretation of Results:

1. The Spearman’s correlation coefficient ($\rho = 0.548$) indicates a **moderate positive correlation** between awareness and claim settlement understanding. This suggests that individuals with greater awareness of the MEDISEP scheme tend to have a better understanding of its claim settlement process.
2. The p-value (< 0.001) is significantly lower than the conventional significance level (0.05), confirming that the correlation is **statistically significant**.
3. As the observed p-value is below the threshold, we **reject the null hypothesis (H_0)** and **accept the alternative hypothesis (H_1)**. This confirms a meaningful positive relationship between awareness and claim settlement understanding.

Conclusion and Implications:

The findings clearly indicate that enhanced awareness is associated with a stronger understanding of the claim settlement process under the MEDISEP scheme. This underscores the importance of well-structured awareness campaigns, effective communication strategies, and accessible information for beneficiaries.

Policy Implications:

Government agencies and implementing bodies should invest in targeted awareness initiatives—such as informational sessions, user-friendly documentation, and digital platforms—to ensure that beneficiaries are well-informed about procedures related to claims.

Future Research Directions:

Further studies may examine the role of variables such as digital literacy, access to support services, and the clarity of scheme documentation in influencing both awareness and comprehension. A deeper understanding of these factors can help optimize user experience and improve the scheme’s overall efficacy.

Conclusion

This study on consumer satisfaction with the MEDISEP insurance scheme among state government employees and pensioners in Kerala’s Malabar region offers meaningful insights into the perceived effectiveness and operational challenges of the scheme. While MEDISEP has contributed to financial protection and improved healthcare access, several areas require strategic intervention to enhance user experience and satisfaction.

Awareness and Communication:

The findings indicate a considerable gap in beneficiaries’ awareness regarding the scheme’s features, eligibility, and procedural updates. Government communication has been perceived as insufficient, with limited dissemination of timely and comprehensive information. Although some individuals proactively seek updates, overall awareness remains suboptimal, indicating a need for structured and accessible communication strategies.

Claim Settlement and Satisfaction:

The claim settlement process plays a pivotal role in shaping consumer satisfaction. Although the submission process is generally viewed as straightforward, delays in claim approvals and insufficient clarity during settlement reduce beneficiaries’ trust in the scheme. These inefficiencies contribute to diminished satisfaction, highlighting the importance of transparency and responsiveness in administrative processes.



Cover Page



Scheme Utilisation and Impact:

While the scheme has helped mitigate out-of-pocket healthcare expenses, the frequency of benefit usage does not uniformly translate to higher satisfaction. Concerns were raised regarding service consistency and inefficiencies in handling repeated claims. This suggests that improving operational reliability is essential for sustaining user confidence.

Recommendation for Policy and Practice:

Based on the analysis, key areas for improvement include:

- Expanding the network of empanelled hospitals,
- Simplifying and expediting the claim settlement process,
- Enhancing communication channels to ensure timely dissemination of information,
- Conducting regular awareness programs and training for beneficiaries, and
- Establishing continuous feedback mechanisms to incorporate user perspectives into scheme management.

In conclusion, the MEDISEP scheme holds significant potential to deliver comprehensive healthcare coverage to public sector employees and pensioners. However, realizing this potential requires targeted reforms focused on communication, process efficiency, and stakeholder engagement. These improvements are essential for fostering greater satisfaction, trust, and long-term sustainability of the scheme.

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Cover Page



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