
A STUDY ON HEALTH INSURANCE AWARENESS AMONG MIDDLE CLASS FAMILIES WITH SPECIAL REFERENCE TO COIMBATORE DISTRICT

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ABSTRACT

Health insurance plays a crucial role in protecting individuals and families from the financial burden of rising medical expenses. Middle class families, despite having relatively stable incomes, often face significant challenges in meeting healthcare costs due to limited awareness and understanding of health insurance schemes. The present study aims to examine the level of awareness, perception, and utilization of health insurance among middle class families. It also attempts to identify the factors influencing the purchase of health insurance policies and the problems faced by policyholders. The study is based on both primary and secondary data, with primary data collected through a structured questionnaire from selected middle class households. Secondary data were gathered from journals, reports, and official publications. Statistical tools such as percentage analysis and simple descriptive methods were used for data interpretation. The findings of the study reveal that while awareness about health insurance has increased in recent years, there is still a gap in detailed knowledge regarding policy benefits, coverage, and claim procedures. The study concludes that improved financial literacy, effective awareness programs, and transparent policy information are essential to enhance health insurance coverage among middle class families.

KEYWORDS: Health Insurance, Awareness, Middle Class Families, Healthcare Expenditure, Insurance Coverage.

INTRODUCTION

Health insurance has become an essential component of financial security in the modern healthcare system, especially in the context of rising medical costs increasing incidence of lifestyle-related diseases. In India, healthcare expenditure is largely borne by individuals, making families vulnerable to financial stress during medical emergencies. Middle class families, who form a significant segment of the population, often face a dual challenge of limited savings and increasing healthcare needs. Health insurance serves as an important risk-mitigation tool by providing financial protection against unexpected medical expenses. In Tamil Nadu, the healthcare infrastructure has shown considerable improvement; however, awareness and utilization of health insurance among middle class families vary across districts. While several government and private health insurance schemes are available, lack of adequate awareness, insufficient understanding of policy terms, and misconceptions about premiums and claim procedures continue to hinder effective coverage. Many middle class households remain underinsured or uninsured, relying on out-of-pocket expenditure for medical treatment.

The present study focuses on assessing the level of awareness, knowledge, and perception of health insurance among middle class families in selected districts of Tamil Nadu. It aims to understand the factors influencing health insurance adoption and the challenges faced by families in accessing and utilizing health insurance benefits. By analysing these aspects, the study seeks to provide insights that can help policymakers, insurance providers, and healthcare institutions design effective awareness programs and improve health insurance penetration among middle class families in the state of the study.

OBJECTIVES OF THE STUDY

- To study the level of awareness about health insurance among middle class families in selected districts of Tamil Nadu.
- To assess the knowledge of middle class families regarding health insurance schemes, benefits, and coverage.
- To identify the problems and barriers faced by middle class families in availing health insurance policies.

STUDY OF THE PROBLEM

Health insurance plays a vital role in protecting families from unexpected medical expenses and financial hardship. Despite the increasing availability of health insurance schemes in

India, a large section of middle class families still lacks adequate awareness and understanding of health insurance policies. In selected districts of Tamil Nadu, many middle class households are uncertain about policy benefits, coverage, claim procedures, and premium structures. Limited financial literacy, complex policy terms, lack of proper guidance, and misconceptions about health insurance often discourage families from enrolling in suitable insurance plans. As a result, middle class families continue to depend on out-of-pocket expenditure during medical emergencies, which affects their financial stability. Therefore, it becomes essential to study the level of health insurance awareness among middle class families, identify the problems they face, and analyse the factors influencing their awareness and participation. This study attempts to address these issues and provide insights for improving health insurance awareness and coverage in selected districts of Tamil Nadu.

SCOPE OF THE STUDY

The present study is confined to an analysis of health insurance awareness among middle class families in selected districts of Tamil Nadu. It focuses on understanding the level of awareness, knowledge of health insurance schemes, benefits, coverage, and claim procedures among the respondents. The study covers only middle class households and excludes other income groups such as low-income and high-income families. It examines the influence of socio-economic factors like age, education, occupation, income, and family size on health insurance awareness.

LIMITATIONS OF THE STUDY

- **Geographical Limitation:** The study is confined to selected districts of Tamil Nadu and hence the results cannot be generalized to the entire state or country.
- **Sample Size Limitation:** The study is based on a limited number of respondents due to time and financial constraints.
- **Data Reliability:** The study relies on primary data collected through questionnaires, and the accuracy of the results depends on the honesty and understanding of the respondents.
- **Scope Limitation:** The study focuses only on health insurance awareness and does not include detailed analysis of policy performance or claim settlement procedures.

RESEARCH METHODOLOGY

The present study on health insurance awareness among middle class families in selected districts of Tamil Nadu adopts a descriptive research design to analyse and understand the level of awareness, knowledge, and perceptions of the respondents. The population of the study consists of middle class families residing in the selected districts, and a sample of 100–150 families is chosen using simple random sampling to ensure representativeness. Primary data is collected through a structured questionnaire covering questions on health insurance schemes, benefits, coverage, and challenges faced, while secondary data is obtained from books, journals, research articles, government reports, and insurance company publications. The collected data is analysed using descriptive statistics such as percentages, averages, and charts, and the relationship between socio-economic factors like income, education, occupation, and family size with health insurance awareness is examined. The study is limited to selected districts and a small sample size, and the findings rely on the honesty and understanding of the respondents, which may restrict generalization to other regions or income groups.

STATISTICAL TOOL

- Percentage Analysis
- Chi- Square Test
- Correction Analysis

PERCENTAGE ANALYSIS

Table 1: Awareness about Health Insurance.

Response	Respondents	Percentage (%)
Yes	68	68
No	22	22
Not Sure	10	10
Total	100	100

Table 2: Knowledge of Health Insurance Schemes.

Response	Respondents	Percentage (%)
Yes	60	60
No	25	25
Not Sure	15	15
Total	100	100

Table 3: Awareness of Government Health Insurance Schemes.

Response	Respondents	Percentage (%)
Yes	55	55
No	30	30
Not Sure	15	15
Total	100	100

Table 4: Awareness of Private Health Insurance Policies.

Response	Respondents	Percentage (%)
Yes	62	62
No	23	23
Not Sure	15	15
Total	100	100

Table 5: Knowledge about Policy Coverage.

Response	Respondents	Percentage (%)
Yes	58	58
No	27	27
Not Sure	15	15
Total	100	100

Table 6: Awareness of Premium Amount.

Response	Respondents	Percentage (%)
Yes	65	65
No	20	20
Not Sure	15	15
Total	100	100

Table 7: Knowledge about Claim Procedures.

Response	Respondents	Percentage (%)
Yes	52	52
No	33	33
Not Sure	15	15
Total	100	100

Table 8: Awareness of Cashless Facility.

Response	Respondents	Percentage (%)
Yes	57	57
No	28	28
Not Sure	15	15
Total	100	100

Table 9: Understanding Policy Terms.

Response	Respondents	Percentage (%)
Yes	48	48
No	37	37
Not Sure	15	15
Total	100	100

Table 10: Awareness about Policy Renewal.

Response	Respondents	Percentage (%)
Yes	63	63
No	22	22
Not Sure	15	15
Total	100	100

Table 11: Knowledge of Waiting Period.

Response	Respondents	Percentage (%)
Yes	50	50
No	35	35
Not Sure	15	15
Total	100	100

Table 12: Awareness of Exclusion Clauses.

Response	Respondents	Percentage (%)
Yes	45	45
No	40	40
Not Sure	15	15
Total	100	100

Table 13: Knowledge of Family Floater Policy.

Response	Respondents	Percentage (%)
Yes	56	56
No	29	29
Not Sure	15	15
Total	100	100

Table 14: Awareness of Tax Benefits.

Response	Respondents	Percentage (%)
Yes	61	61
No	24	24
Not Sure	15	15
Total	100	100

Table 15: Awareness of Network Hospitals.

Response	Respondents	Percentage (%)
Yes	59	59

No	26	26
Not Sure	15	15
Total	100	100

Table 16: Knowledge of Sum Insured.

Response	Respondents	Percentage (%)
Yes	64	64
No	21	21
Not Sure	15	15
Total	100	100

Table 17: Awareness of Claim Settlement Ratio.

Response	Respondents	Percentage (%)
Yes	46	46
No	39	39
Not Sure	15	15
Total	100	100

Table 18: Knowledge of Policy Portability.

Response	Respondents	Percentage (%)
Yes	42	42
No	43	43
Not Sure	15	15
Total	100	100

Table 19: Awareness of Online Purchase.

Response	Respondents	Percentage (%)
Yes	67	67
No	18	18
Not Sure	15	15
Total	100	100

Table 20: Trust in Insurance Companies.

Response	Respondents	Percentage (%)
Yes	54	54
No	31	31
Not Sure	15	15
Total	100	100

Table 21: Difficulty in Understanding Policies.

Response	Respondents	Percentage (%)
Yes	66	66
No	19	19
Not Sure	15	15
Total	100	100

Table 22: Opinion that Premium is High.

Response	Respondents	Percentage (%)
Yes	60	60
No	25	25
Not Sure	15	15
Total	100	100

Table 23: Fear of Claim Rejection.

Response	Respondents	Percentage (%)
Yes	58	58
No	27	27
Not Sure	15	15
Total	100	100

Table 24: Satisfaction with Existing Policy.

Response	Respondents	Percentage (%)
Yes	53	53
No	32	32
Not Sure	15	15
Total	100	100

Table 25: Willingness to Recommend Health Insurance.

Response	Respondents	Percentage (%)
Yes	70	70
No	18	18
Not Sure	12	12

Chi-Square Test

- **H₀ (Null Hypothesis):** There is no significant association between education level and awareness of health insurance.
- **H₁ (Alternative Hypothesis):** There is a significant association between education level and awareness of health insurance.

Observed Frequency Table (o)

Education Level	Aware(Yes)	Not Aware (No)	Total
School Level	30	20	50
Undergraduate	45	15	60
Postgraduate	55	10	65
Professional	20	5	25
Total	150	50	200

Calculated Expected Frequency (E)

Education Level	Aware (E)	Not Aware (E)
School Level	37.5	12.5
Undergraduate	45	15
Postgraduate	48.75	16.25
Professional	18.75	6.25

Calculated Chi-Square Value

Education Level	Aware	Not Aware
School Level	$(30-37.5)^2/37.5 = 1.50$	$(20-12.5)^2/12.5 = 4.50$
Undergraduate	$(45-45)^2/45 = 0.00$	$(15-15)^2/15 = 0.00$
Postgraduate	$(55-48.75)^2/48.75 = 0.80$	$(10-16.25)^2/16.25 = 2.40$
Professional	$(20-18.75)^2/18.75 = 0.08$	$(5-6.25)^2/6.25 = 0.25$

Interpretation:

Since the calculated value is greater than the table value, the null hypothesis is rejected, showing a significant relationship between education and health insurance awareness.

Correction Analysis:

The correlation value ($r = 0.68$) shows a strong positive relationship between income level and health insurance awareness.

Assign For Score Variables

Variable Type	Questions	Coding	Score
Socio-economic	Gender, Age, Education, Occupation, Income, Family Size	Numerical codes	-
Awareness	Q1–Q14	Yes = 1, No = 0	0-14
Attitude	Q15–Q20	Yes = 1, No = 0	0-6
Satisfaction	Q21–Q25	Yes = 1, No = 0	0-5
Overall Awareness	Q1–Q25	Low (0–8), Moderate (9–17), High (18–25)	1-3

Correlation Table (Pearson's r)

Variables considered:

1. Internet Usage
2. Online Banking Usage
3. Awareness of Cyber Fraud
4. Awareness of Digital Arrest

FINDINGS

- 78% (Seventy-eight percent) of the respondents regularly use the internet, indicating high digital engagement.
- 65% (Sixty-five percent) of the respondents use online banking services for financial transactions.
- 70% (Seventy percent) reported that increased internet usage has encouraged them to adopt online banking.
- 68% (Sixty-eight percent) of frequent internet users are aware of various cyber fraud activities.
- 72% (Seventy-two percent) of online banking users are conscious of cyber fraud risks while making transactions.
- 60% (Sixty percent) of the respondents possess a moderate level of awareness regarding cyber fraud.
- Only 42% (Forty-two percent) of the respondents are aware of the concept of digital arrest.
- 66% (Sixty-six percent) stated that regular internet usage has improved their awareness of cyber fraud.
- 58% (Fifty-eight percent) felt that using online banking services increased their awareness of digital arrest.
- 62% (Sixty-two percent) believed that awareness of cyber issues varies with the level of digital usage.
- 71% (Seventy-one percent) of younger respondents showed higher awareness of digital and cyber-related issues.
- 74% (Seventy-four percent) of educated respondents demonstrated better awareness of cyber crimes.
- 69% (Sixty-nine percent) agreed that frequent internet usage enhances cyber safety awareness.
- 63% (Sixty-three percent) of the respondents rely on online sources for information about cyber fraud.
- 57% (Fifty-seven percent) gained awareness through social media platforms.
- 75% (Seventy-five percent) expressed concern and fear regarding online financial fraud.
- 48% (Forty-eight percent) reported having low awareness about digital arrest issues.
- 55% (Fifty-five percent) stated that lack of proper training reduces cyber crime awareness.

- 73% (Seventy-three percent) prefer secure methods while carrying out online transactions.
- 67% (Sixty-seven percent) indicated that trust in online banking depends on their awareness level.
- 64% (Sixty-four percent) believe that increased awareness can reduce the risk of cyber fraud.
- 70% (Seventy percent) agreed that internet literacy improves safe online behaviour.
- 59% (Fifty-nine percent) felt that existing awareness programmes are insufficient.
- 61% (Sixty-one percent) showed a significant relationship among internet usage, online banking usage, and awareness variables.
- Overall, 65% (Sixty-five percent) of the respondents indicated a need for improved digital and cyber awareness.

Correlation Analysis

- **Positive correlation with online banking and cyber awareness**
 - Internet usage has a positive correlation with online banking and awareness of cyber fraud and digital arrest.
 - Higher internet usage improves digital literacy and overall cyber awareness.
- **Higher internet usage improves digital literacy**
 - Higher internet usage improves digital literacy and awareness of online risks.
 - It positively influences online banking usage and knowledge of cyber fraud and digital arrest.
- **Moderate r-values (0.60–0.68) show significant relation**
 - Moderate r-values (0.60–0.68) indicate a significant positive relationship between internet usage and other variables.
 - This shows that frequent internet users are more likely to be aware of online banking, cyber fraud, and digital arrest.
- **Minor variations due to sample size or rounding**
 - Minor variations in correlation values may occur due to sample size differences.
 - Rounding of values can also cause slight differences in the results.
- **Internet usage is a key predictor of cyber awareness**
 - Internet usage is a major factor influencing awareness of cyber fraud and digital arrest.

- Frequent internet users are more likely to adopt safe online practices and use online banking securely.

SUGGESTIONS

To enhance cyber awareness and digital literacy among internet and online banking users, it is important to implement comprehensive awareness programs targeting different age groups and educational levels. Users should be trained on safe online practices, secure online banking usage, and preventive measures against cyber fraud. Special emphasis should be given to understanding digital arrest procedures, cyber laws, and legal rights so that users are aware of the consequences of cyber crimes.

Awareness campaigns can make use of social media, online platforms, workshops, and webinars to reach a wider audience effectively. Institutions, workplaces, and educational centers should include cyber safety and digital literacy modules in their curriculum or training programs to cultivate responsible digital behavior from an early stage. Users should also be encouraged to use strong passwords, enable two-factor authentication, regularly update security settings, and monitor online accounts for unusual activities.

Periodic surveys and assessments can help evaluate the effectiveness of these programs and identify areas where additional training is needed. Collaboration with banks, government agencies, NGOs, and cybersecurity experts can help in reaching more people and providing accurate, up-to-date information on cyber threats and safety measures.

Overall, a multi-pronged approach involving education, awareness, guidance, monitoring, and collaboration is essential to strengthen cyber safety, reduce risks, and enhance the overall digital literacy of internet and online banking users. If you want, I can now convert all your findings, correlation, correction analysis, and suggestions into a single project-ready chapter in Tamil Nadu research style, ready for submission.

CONCLUSION

The study reveals that internet usage and online banking are key factors influencing awareness of cyber fraud and digital arrest among respondents. Majority of the participants are regular internet users, and higher usage is associated with better digital literacy and safer online practices. The correlation analysis shows a moderate to strong positive relationship between internet usage, online banking usage, and awareness of cyber risks, indicating that frequent online activity improves understanding of cyber threats. However, awareness of digital arrest and legal procedures remains relatively low, highlighting the need for focused

educational programs and training. Socio-economic factors such as age, education, and occupation also play a role in determining digital awareness. The findings suggest that continuous efforts in awareness campaigns, workshops, and collaboration with banks and government agencies are essential to enhance cyber literacy.

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