

The Attributes of a Preferential Health Insurance Service: A Conjoined Analytical Study

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Abstract

Private health insurance services supervised directly by the State is a step in the right direction, and since this form of health insurance service provision is still under test and development, this study arrives in the context of shedding light on the most preferential attributes of this service. With the term, "most preferential" given to indicate those attributes that give the individual the highest level of satisfaction, and hence motivating the individual to subscribe to that particular service. Then this subscription will provide the necessary funds to provide and improve that service.

The researcher used a sample of 247 individuals of those who are already subscribing to a health insurance programme in order to explore their views on aspired attributes compared to currently available attributes.

To do this, conjoined analysis was used to extract preferred attributes and calculate the individual's willingness to pay for each attribute, as well as identifying the relative importance of each attribute.

The conclusions obtained are as follows:

- The attributes that maximizes the level of utility for individuals are:
 - The insurance policy is evaluated at s.p.250 / month
 - The maximum level of benefit obtained for surgical operation and associated services is equal to s.p.750,000 / year.

- The maximum level of associated benefit with medical diagnosis / treatment (test, x-ray, scan, etc) is equal to s.p.50,000 / year, provided that the patient pays 10% of the cost, with a maximum of 12 treatments per year.
- The maximum level of benefit associated with non-chronic diseases described in prescription is equal to s.p.100,000 / year, provided that the patient pays 15% of the cost, with a maximum of 24 prescriptions per year.
- The maximum level of benefit associated with clinic and doctor visits is equal to s.p.1000,000 / year, provided that the patient pays 15% of the cost, with a maximum of 24 prescriptions per year.
- The maximum level of benefit associated with making use of emergency services provided by unlisted hospitals is equal to 85% of the total bill.
- The insured chooses the service provider that suits best.
- The level of derived utility out of the programme increases in partial benefits of the programme. It was found that attribute number 1 in terms of relative importance, is the insurance policy value; second, having the freedom of choosing the provider; third, the level of benefits obtainable for medical diagnosis / treatment (test, s-ray, scan, etc).
- Individual has shown high tendency to pay more in exchange for increasing the maximum level of benefits associated with of emergency services provided by unlisted hospitals.

The variables specified in the study explain 45% of the individual's decision to choose a specific programme against another, which is fairly decent.