



# Exploring The Influencing Factors Of Health Insurance Policies After Introducing Digitalization

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## ARTICLE INFO

## ABSTRACT

The incorporation of digital technologies has resulted in a significant shift of the health insurance sector. The purpose of this essay is to investigate the variables that affect the choice of health insurance plan in light of digitization. This report clarifies how digital platforms have changed the health insurance industry by looking at consumer behavior, accessibility, service effectiveness, policy management, and regulatory frameworks. The results indicate that while digitalization has improved customer participation, ease, and transparency, it has also brought forward new issues with digital literacy and data protection.

**KEYWORDS:** health insurance, digitization, consumer behavior, policy management, digital health platforms, data regulatory framework, transparency, digital literacy.

## INTRODUCTION

Digital technology rapidly transformed various industries, with the healthcare sector and insurance sector being no exception in this transformation. After introducing digitalization in the sector of health insurance policy management has alter the whole outlook to purchased and serviced area. After digitization in the field of insurance such factors like ease of access, online comparison of different policies and plans, real time claim processing facility and AI, ML and blockchain related mobile applications have significantly influenced consumer mind set and expectations. This study expended the key factors affecting health insurance policies in the digital era and examines how digitalization has transforms policyholder proficiency.

## OBJECTIVE OF THE STUDY

1. To examine how digital platforms can improve customer awareness and interaction.
2. To investigate how policy management and claim procedures are affected by digitization.

## LITERATURE REVIEW

**1.Rainer Schmidt, Michael Möhring, Florian Bär &Alfred Zimmermann (2017)**, they explained in his research paper with titled **The Impact of Digitization on Information System Design - An Explorative Case Study of Digitization in the Insurance Business**

Digitization transforms business process models and processes in many enterprises. However, many of them need guidance, how digitization is impacting the design of their information systems. Therefore, this paper investigates the influence of digitization on information system design. They apply a two-phase research method applying a literature review and an exploratory case study. The case study took place in the IT service provider of a large insurance enterprise. The study's results suggest that a number of areas of information system design are affected, such as architecture, processes, data and services.

**2.Pramod Niraula and Dr. Sandeep Kautish(2019)**, they explained in his research paper with titled **Study of The Digital Transformation Adoption in The Insurance Sector of Nepal**,

Digitization has an intense impact on the behaviour and culture of the society, on the business process of the service industry and financial structure and growth of the nation. The main challenge is adoption of

appropriate digital transformation, in order to generate better possibilities to create innovative business models, procedures, systems and software that gears up for higher competitive advantage, better efficiency and increase in revenue. The aim of this study was to explore the digitization status of insurance industry of Nepal along with the obstacles faced by them to go digital.

### RESEARCH METHODOLOGY

Under this study we have to use a type of descriptive research design and using both type of primary and secondary data.

**Primary data:** under this method we have to collected the data through to conduct an interview and with the help of survey.

**Secondary data:** it is basically based on sourced from academic journal, industry reports and official publications. Under this type we have used open-ended interview for gathered qualitative insights and also used of a structured questionnaire for collecting quantitative data.

### Data analysis and findings

### MAJOR INFLUENCING FACTORS



**Digital access and convenience:** After the digitization, in the field of health insurance sector service related to digital access and convenience providing facility to purchase online policy and renewal have improved.

**Less paper work:** comparatively in digitalization face less paper work is doing by the parties. In this way we can say the system of digitization more ecofriendly than traditional system of maintain the records in the form of paper.

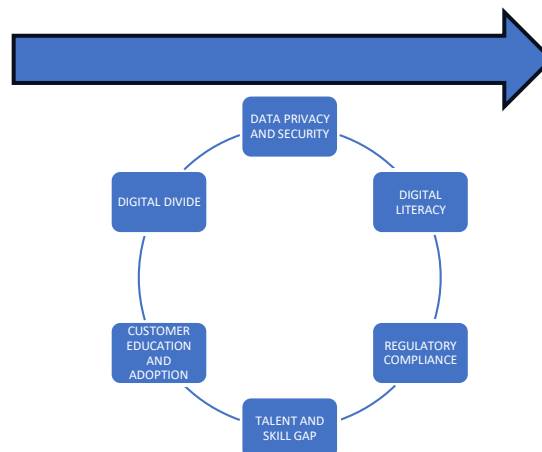
**Personalization:** policyholder make their transaction without disclosed their personal information to everyone. Ai based platforms can hide their health related data and many more information from other parties. Policymaker on heigh scale to make sure that the information related to policyholder don't share with anyone without their permission.

**Policy comparison tools:** after the introducing the digitalization policyholder had to make sure which one plan is best for him/her with the help of different policy comparison tools. They can compare the instalment premium money, rider plan, flexibility in making payment system and renewing system of the policy.

**Service efficiency:** service providing company pay more attention towards their policyholder needs and demand related with the health plan. Company provides the service their policyholder 24\*7in online mode. They redress the problem in a few seconds or minutes.

**Transparency:** all the information related with rules and regulation are mentioned in the form of online digital data. there is no chance to hide any information, term and condition with their customers. They can access directly to the rules and regulation of the service provider company.

### CHALLENGES IN THIS FIELD



**Data privacy and security:** in the time of technology there are many risks arises like cyber-attack, hacking are one of the most common problems in these days. Data privacy is more important part of making customer trust building.

**Digital literacy:** some customers not to aware about the terms of digital literacy and they can't understand about the rules and regulations related with their health plan policy. Sometimes the customer feels he was cheat by the company. With the help of awareness program give the knowledge about the digital terminology to their customers in proper manner.

**Regulatory compliance:** it is the most common problem in this field, any complaints related with policy not to redress in proper manner.

**Talent and skill gap:** everyone not be talented and skilled in this field and this gap create many problems. So redress these problems by the conducting trainings, workshops and counselling of the policyholder to aware about the merit and demerits about digitization.

**Customer education and adoption:** illiterate customer not to aware about the policy rules and regulation and also not any knowledge about the technology and uses of the platforms. Company should provide some workshops to redress the problem.

**Digital divide:** digital divide is one of the most common problems arising due to the gap of urban and rural field-based system. Not coverage the proper area by the network so it creates a gap between the people to people and give the birth of digital divide situation.

## DISCUSSION

Digitization has totally transformed the health insurance sector by making services all services most easy and consumer friendly and efficient. Policyholder can make their health plan according to their need. Digitization removes the more paperwork and all most transactions and query redress by the AI tools and technology. Digitization eras the manual mistake and workload also deducted with the help of AI based platforms. But there are some demerits like digital education and updated regulatory policies related that was create a type of barriers in this whole process. With the up-dation of technology also need to addressed these problems which are discussed above and to make digitization process fruit-full to all the common users.

## CONCLUSION

In this study we have to conclude about the benefits of customer related factors and it also highlights those factors which play the role of barriers in this sector. With the help of this study we can say about the role of digitization in the sector of health insurance. Digitization plays an important role in the field of insurance field after digitization insurance policy dynamic by enhancing accessibility, service speed of transaction and customer satisfaction. With the help of technology and tools to maximize the role of digital platforms like data privacy, policy standardization and to protect by the cyber-attacks.

## RECOMMENDATIONS

Insurance provider company should invest in the field of cybersecurity and data encryption technology so the customer can adopt these changes without any fear.

To improve the digital literate people, company also provides the platforms for common people and to conduct the awareness program like play and games, workshops and other programs related to the policy. Guidelines updated time to time by the regulatory body.

To implement the Customer feedback mechanisms in proper manner and address the consumer concerns in digital environment.

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