CHAPTER I

Introduction

Thailand has performed different health insurance schemes, each with different objectives, target population, source of finance and mechanism of paying to providers. Even though there were varieties of health insurance schemes provided for the population, the data in figure 1.1 shows that half of those people are not covered by any health insurance/welfare scheme. Some of the non-covered are able to afford the cost for undesirable sickness or accidents by themselves. However a great number of these people, mostly living in villages, self-employed and depending on agriculture, could only afford a minor illness. This group of people, who always hesitated when their sickness needed to be treated at the hospital, and who could quickly run into debts when one suffered from sudden high costs for medical treatment, was the target of the Ministry of Public Health (MOPH)'s voluntary health insurance, so called, the Health Card Program (HCP).

HCP is a prepaid voluntary health insurance in cooperation between the community and health personnel. With the implementation of the program, Health Card Fund (HCF) is set up by the villagers in their perspective community. In practice health cards are sold to people in the community at a price set by the government. The total sales will go to the HCF. It will be used as revolving capital for one year before being allocated to the health facilities. Health card holders will receive benefits in terms of free medical care services from the MOPH health facilities, and, for example, can benefit from the HCF with loans which have been provided for the health card holders at low interest rates.

The success of the HCP crucially depends on the participation of three parties: the community committee, health card holders and health care providers.

The MOPH began its HCP in Chiangmai province in 1984. The conceptual framework of the HCP in Chiangmai is not distinctively different from the one applied in other provinces. However, its operation has been somewhat modified.

Figure 1.1 Summary Table for Different Insurance Schemes in Thailand, 1991

Schemes	Type of Insurance	Objectives	Target Populatin	Population (million)	Coverage (percent)
1.Free medical care	Public assistance	Protection of the poor to access health services	Low income under poverty line : 2000 bh./household /month, income assessment every three years	10.0	19.0
2.Free medical care for the elderly	Public assistance	Protection of the elderly	Eligible elderly aged 60 and over	3.3	6.0
3.School health insurance	Public assistance	Promotion of access to service among primary school children	All primary school children grade one to six (6-11 yrs)	6.7	12.2
4.Health card program	Community financing prepayment voluntary health	Community development in PHC, promotion of national use	Premium affordable household, 35 % enrollment rate in village level	2.7	4.9

Figure 1.1 (Continued)

Schemes	Type of Insurance	Objectives	Target Populatin	Population (million)	Coverage (percent)
	insurance	of services via a referral line			
5.Workman compensation	Compulsory insurance	Protection of the workers for injury in workplace	Workers in firms with more than 20 workers	1.8	3.3
6.Social security fund	Compulsory insurance	Pretection of the workers for illness not related to work, maternity disabled,death compensation	Workers in firms with more than 20 workers	1.8	3.3
7.Private insurance care	Voluntary insurance	Private personal insurance	The better off, private employee, employers who can afford the premium sometimes combination with life insurance	0.2	0.5

Figure 1.1 (Continued)

Schemes	Type of Insurance	Objectives	Target Populatin	Population (million)	Coverage (percent)
8.Civil servant medical benefit	Public assistance	Fringe benefits in addition to low salaries	Eligible elderly aged 60 and over	3.3	6.0
8.1 Government employees				4.1	7.7
8.2 State enterprise employees				0.8	1.5
SUBTOTAL					
COVERED BY ANY SCHEME				30.2	54.9
NON-COVERED BY ANY SCHEME				24.8	45.1
TOTAL POPULATION				55.0	100.0

Source : Viroj Tangcharoensathien 1990, updated and adapted from "Thai Nation Health Assembly 1989".

Statement of Research Problem

The HCP is based on an insurance concept of the risk sharing of sickness expenditure. In the beginning, the number of people covered by HCP increased dramatically. But later on, the demand for health cards generally declined. The data of Chiangmai Provincial Health Office showed that in 1990, 29.8 % of HCF could not continue the programme. In Maerim district, up to 14.8 % of HCF had to stop operating in 1990 (The criteria for operating the HCF is that in each village at least 35 % of the households should be health card members). Chiangmai and Maerim's figures show that the fund cannot recruit new enrollees and the old enrollees did not maintain membership. The drop out of households taking part in HCF was 5% in Maerim district during 1989-1990. If this drop out of health card holders continues, there will be no future for HCF. As a result, poor people who live on the poverty line and who have no health insurance will suffer the consequences of unexpected serious illnesses (Chiangmai, 1989).

The achievement of the HCP may be influenced by several factors, such as: the strength of MOPH's policy, HCP administration, role and performance of the health personnel or community participation (Thavitong Hongvivatana et al., 1986). Moreover, the achievement of the HCP was not only indicated by the coverage of health card holders but also by the repurchasing in the later years.

When consumers first buy a health card they are in a trial stage (Schiffman et al., 1983). Their experience with the program provides them with the critical information they need to repurchase or reject it. Postpurchase evaluation lead to a decision to continue or to discontinue the HCP membership.

The related study about the HCP has tried to explore the factors which influence the consumers' decision of enrollment or disenrollment the program. The reasons for the drop-out of health card holders still lacks investigation. Drop-out of health card holders, which is the outcome of postpurchase evaluation, is another interesting aspect for the marketer.

Therefore, this present study attempts to identify the factors which influence people in Maerim district to reject health card repurchase and hope that the answers from the study will suggest a drop-out prevention strategy and new enrollee recruitment strategy in the district.

Objectives of the Study:

The study has the following objectives:

1. To identify the rate of drop out in health card holders.
2. To identify the factors influencing drop out in health card holders.
3. To identify the direction of differences influencing factors between dropouts and current health card holders.
4. The result of the research will give suggestions for the creation of effective strategies in order to prevent dropout.

Research Questions:

The study aims to answer the following questions:

Primary question:

What is the drop-out rate of health card holders in 1989-1991 in Maerim district, Chiangmai province ?

Secondary question:

What are the factors influencing drop out in health card holders in 1989 -1991 in Maerim district, Chiangmai province ?

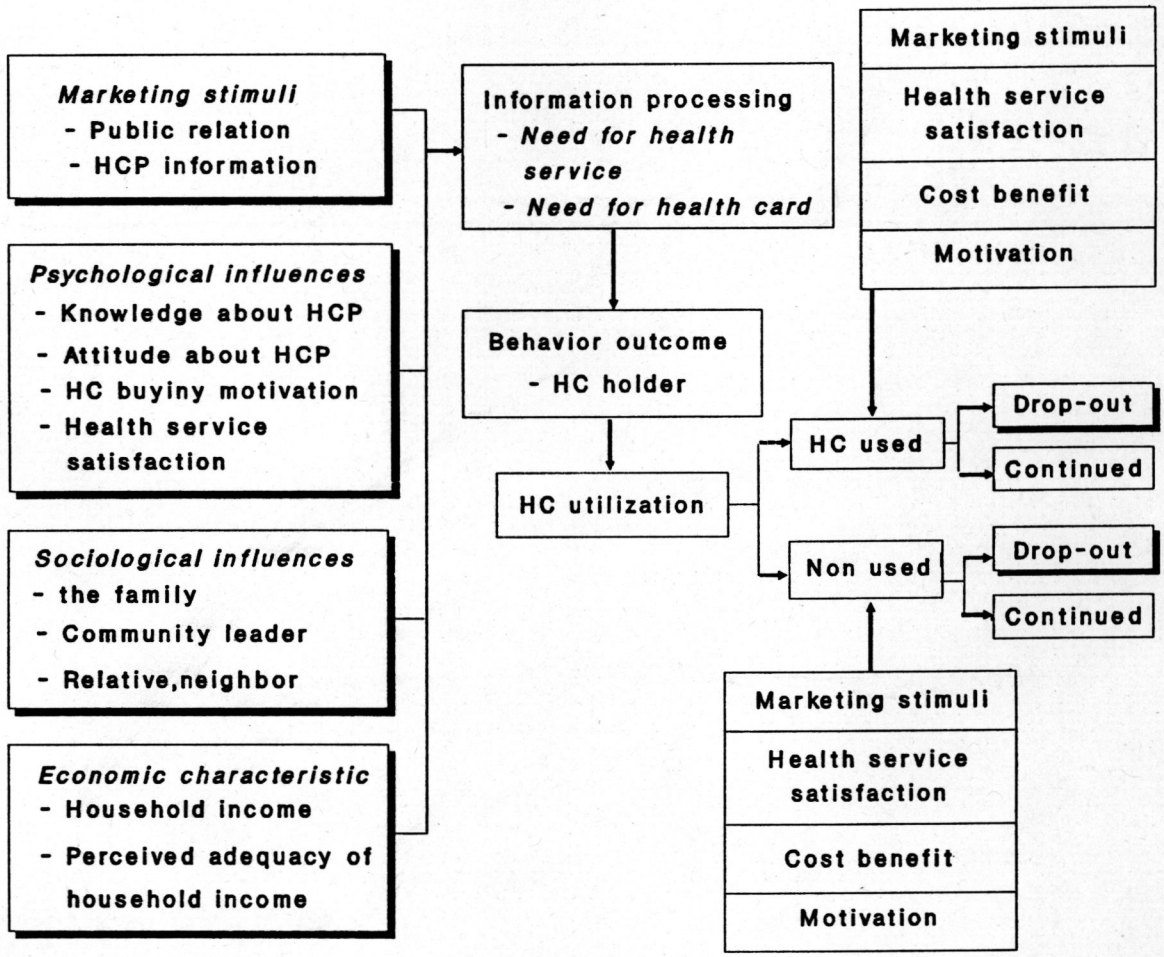
Framework for the Study

"Understanding the buying behavior of the target market is the essential task of marketing managers under the marketing concept" (Kotler, 1988). A buyer's purchase is highly influenced by the buyer's unique set of cultural, social personal, psychological factors, and so on.

This study is designed to systematically analyze important variables in explaining the factors influencing drop-out in health card membership which is closely clarified by consumer behavior models.

Specific details of study's framework are shown in Figure 1.2

Figure 1.2 Framework for the Study of Factors Influencing of Drop Out in Health Card Holders



Operation Definition

Attitude is a mental and neural state of readiness to respond that is organized through experience and exerts a directive or dynamic influence on behavior.

Consumer behavior is defined as the activities that people engage in when selecting, purchasing, and using products and services so as to satisfy needs and desire. Such activities involve mental and emotional processes, in addition to physical actions (Wilkie, 1986).

Drop-out Household that participated in health card membership in the previous cycle and withdraw in the current cycle.

Drop out To withdraw from health card membership.

Focus group Long sessions in which five to ten consumers are encouraged to talk freely about their feeling and thought concerning the HCP.

Health card holder People who have valid family treatment card.

Household A group of two or more persons who make common provision for food and other living essentials, or who occupy a housing unit (Office of Prime Minister, 1990).

Influencing Means power exerted over the minds or behavior of others (Webster, 1984).

Previous cycle Previous cycle means the cycle just before the present cycle (Health cards are valid only one year).

Satisfaction is the hoped for outcome. Satisfaction is defined as a postconsumption evaluation that the chosen alternative is consistent with prior beliefs and expectations with respect to that alternative.
Dissatisfaction, of course, is the outcome when this confirmation does not take place.

Scope of the Study:

The study would be confined to the operation of the HCP in Maerim district, Chiangmai province. Data collection was done during August-September 1991 by both questionnaire interview and focus group discussion.

Expected Benefit of the Study:

The result of research will add another aspect of information to be used in the design of effective strategies to prevent drop out and to recruit new enrollee in Maerim district.

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