

**FACTORS AFFECTING ON WILLINGNESS LEVEL TO  
PAY FOR HEALTH INSURANCE  
IN COLOMBO DISTRICT**

*This dissertation is submitted as a partial fulfillment of the degree of Bachelor of  
Business Management in Entrepreneurship and Management*

Faculty of Management

UvaWellassa University

Registration number: UWU/ENM/09/0012

Year 2013



UWU  
LIBRARY

## **ABSTRACT**

### **Factors affecting on Willingness Level to Pay for Health Insurance**

Predictions are the part and parcel of every ones' life and associated with the future, but the future is always uncertain, because it is full of twists and turns that can be related with death, an illness requiring hospitalization or loss of home or working assets which can upset or altogether turn the financial situation of the households. Alternatively, health treatment is becoming a very costly affair. As solution health insurance play vital role in the industry. In order to conduct this research base on the Colombo District.

When the Sri Lankan context is being considered, no one has studied about the factors affecting on willingness level to pay for health insurance. Hence, this research will identify the level of willingness to pay for health insurance in non health insurance policyholders. More importantly, the researcher has decided to identify what are the factors most affect to the willingness to pay for health insurance. Further, this research has been conducted to identify the difference between the each factors and willingness level to pay for health insurance.

This study empirically evaluated ten independent variables (gender, age, education level, occupation, income, civil status, attitude of risk, family members, family health expenditure, and awareness) and willingness level to pay for health insurance in Colombo District non health insurance policy holder and health insurance policy holders.

Reveals of data presentation and analysis, purchasing behavior of non health insurance policyholders still they want to some time to buy a health insurance policy

in Colombo District. Furthermore, the health insurance policyholder having moderate level of satisfaction regarding current health insurance policy. Hence concern the income, it was the most significant factor with relate to the willingness level to pay health insurance. Other than the these factor gender, age, education level, income, attitude of risk, health expenditure, and awareness also which affected to the willingness level to pay for health insurance. Apart from that there was deference between gender, education level, income attitude of risk, health expenditure and awareness between health insurance policyholder group and non health insurance policyholder group.

***Keyword: Health insurance***