



Impact Of Health Insurance On the Utilization Of Health Services In a Public Health Perspective: A Theoretical Study

Irgi Biantara^{1*}, Bambang Budi Raharjo²

¹⁻²Doctor of Public Health, Faculty of Medicine, Universitas Negeri Semarang, Indonesia

Author Correspondence: irgibiantari@gmail.com*

Abstract. Health is a basic human need, so it requires high awareness so that people maintain their health. One way to protect yourself and your family from the financial risks arising from health care costs is by having health insurance. The impact of this insurance provides protection against possible future losses and invests part of the funds collected from policyholders. Health insurance is important not only for reducing the financial burden of health services but also for ensuring that individuals have access to timely and quality medical care. The purpose of this theoretical study is to determine the impact of health insurance on the utilization of health services from a public health perspective. The method used is a theoretical study, which analyzes existing theories and previous research to understand the effects of health insurance. This approach is intended to draw conclusions regarding how insurance affects public health and health service usage. The results of this theoretical study indicate that, from a public health perspective, health insurance has a positive impact in various ways. It helps reduce the risk of disease, minimizes the economic burden when individuals fall ill, reduces financial risks, provides peace of mind, and facilitates access to quality medical services. Furthermore, insurance contributes to preventive care and early treatment. Accessibility to health services is identified as a crucial factor in enhancing the positive impact of insurance on the welfare and health of the community in Indonesia.

Keywords: Health Insurance, Health Services, Public Health

1. INTRODUCTION

A person's health is very important in life. In addition, good health is supported by adequate and superior facilities. Health is a basic human need, so high awareness is needed so that people remain in good health. One way to protect yourself and your family from the financial risks arising from health care costs is to have health insurance (Abbas, 2022). In addition, the insurance industry needs to provide services that provide protection for humans, especially those related to activities that are beneficial to public health (Budiarjo, 2015).

According to Law Number 3 of 1992, insurance is transferring the cost of illness from the insured to the insurer so that the responsibility delegated by the insurer must provide costs or services for health care if the insured is sick. Insurance is a form of risk management by transferring the risk (disease) by paying a premium, then the insurance party will provide benefits in the form of health services at several health service providers, such as health centers, hospitals, and clinics (Setiawan, 2022).

Some of the important reasons for having health insurance include reducing losses in the form of high health care costs due to risks (diseases) that will occur in the future, reducing anxiety and worry when sick, guaranteeing family assets, such as houses and vehicles from

high health care costs, having future savings in the form of premiums paid regularly, and providing the best health care guarantees (Agustina, 2019).

There are two types of insurance, namely social insurance and commercial insurance. Social insurance is insurance run by the government. Commercial insurance is insurance run by private insurance institutions. Premiums paid in social insurance are cheaper than commercial insurance. Insurance in people's lives has a major influence on the socio-economic life of both those who are directly involved in insurance activities and those who are indirectly involved in them (Aisyarah, 2021).

Insurance from a public health perspective is considered good if it meets four components: first, health costs are available in sufficient amounts and the community can easily utilize health services. Second, the distribution of funds must be in accordance with needs. Third, the use of funds must be regulated carefully. Fourth, health care cost management should increase effectiveness and efficiency. However, implementation in the field is not like that. Contradictory problems still often occur, from the limited amount of funds, inappropriate distribution or allocation of funds, inappropriate use of funds, poor management of funds, to increasing health costs (Adventus, 2019).

The impact of this insurance provides protection against possible losses in the future and invests part of the funds collected from policyholders (in the form of insurance premiums) into various policyholders (in the form of insurance premiums) into various economic sectors. Based on the background presented, the purpose of this theoretical study is to determine the impact of health insurance on the use of health services from a public health perspective.

2. THEORY STUDY

Health Insurance

Health insurance is a type of insurance product that specifically guarantees the health or treatment costs of the insurance members if they fall ill or have an accident. Health insurance is very important, especially amidst the increasing health costs. Without health insurance protection, you could be trapped in a situation where you have to choose between getting the medical care you need or feeling burdened by unexpected costs. By having health insurance, you can focus on your recovery without having to worry about financial problems (Achmadi, 2013). Some experts define insurance as follows:

According to Robert I. Mehr: Insurance is a tool to reduce risk by combining a number of at-risk units so that individual losses can be collectively predicted. The predictable losses are then divided and distributed proportionally among all units in the combination.

According to Mark R. Greene: Insurance is an economic institution that reduces risk by combining under one management and a group of objects in a condition so that the large losses suffered by a group can be predicted in a more detailed scope.

According to C Arthur Williams Jr. and Richard M. Heins: Insurance is a tool in which the risks of two or more people or companies are combined through a definite premium contribution or one that is determined as a fund used to pay claims.

According to Law of the Republic of Indonesia No. 2 of 1992: Insurance is an agreement between two or more parties, where the insurer binds himself to the insured, by receiving an insurance premium, to provide compensation to the insured for loss, damage, or loss of expected profits. Or, legal responsibility to a third party that may be suffered by the insured, arising from an uncertain event; or providing a payment based on the death or life of an insured person

Utilization Of Health Services

Utilization of health services is the use of service facilities provided either in the form of outpatient care, inpatient care, home visits by health workers or other forms of activities from the utilization of these services which are based on the availability and continuity of services, community acceptance, and fairness, easily accessible by the community, affordable and quality (Ali, 2016).

Health Facilities are health service facilities used to organize individual health service efforts, both promotive, preventive, curative, and rehabilitative carried out by the Government, Regional Government, and the community (Presidential Decree No. 71 of 2013). First Level Health Facilities (FLHF) in the era of the National Health Insurance (NHI) are required to provide comprehensive primary services as gatekeepers with the quality of health services as a priority (Abbas, 2022).

3. METHOD

The method used is to use theoretical studies. Theoretical studies are research conducted by studying beliefs and assumptions systematically. The goal is to understand and learn more about a subject. Theoretical studies are conducted in various fields of knowledge. This research can help answer fundamental questions about humans and become the basis for new ideas. Theoretical studies are one of the important things in research. Quality theoretical studies will also determine the quality of the research that is carried out.

4. RESULTS & DISCUSSION

Based on the review of theoretical studies that have been analyzed. The author presents in theory that the impact of health insurance on the use of health services has a positive impact and provides benefits for the community using insurance. Health insurance can improve the health and welfare of the community, thereby boosting economic performance. The Impact of Health Insurance on Public Health can be seen in the image below:

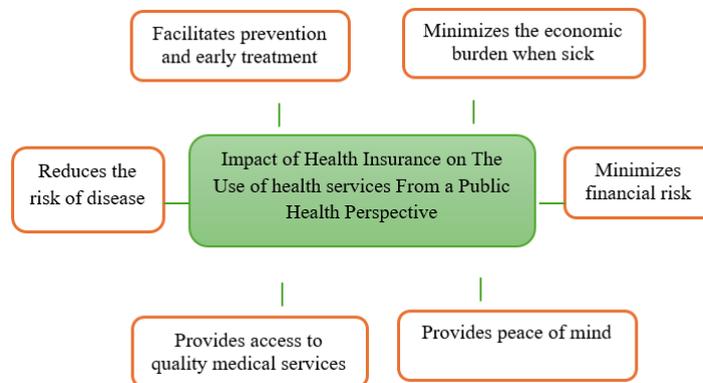


Figure 1. Theoretical Review Results Scheme

Based on the results of the theoretical study conducted, it can be a discussion related to the impact of health insurance on the economic aspects of maintaining the quality of human capital, increasing productivity, stimulating economic growth, increasing domestic demand, and increasing consumption levels (Heryana, 2021). In addition, the impact of health insurance on consumption behavior reduces savings for precautionary purposes, increases the tendency of population consumption (Yanti, 2023). The purpose of creating insurance (Universal Health Coverage) is where all people and communities can use the health services they need including promotive, preventive, curative, rehabilitative and palliative services with sufficient effective quality and do not burden users financially (World Health Organization, 2025). Insurance has individual benefits in the form of health services that include promotive, preventive, curative, rehabilitative services including drugs and consumable medical supplies that are needed (Amadea & Raharjo, 2022).

According to research by Amadea & Raharjo (2022), it explains that from a public health perspective, the use of insurance and its participation are influenced by education factors. So that the Indonesian people use health insurance because they feel the positive impact of the health facilities provided. Although insurance has a positive impact, there are still challenges related to low insurance penetration among the Indonesian people, especially in rural areas. In addition, inadequate insurance protection and lack of understanding of the benefits of insurance are also things that need to be considered (Murti, 2015).

CONCLUSION

It can be concluded that health insurance helps improve public access to quality health services. This allows individuals to get the necessary medical care without having to worry about high costs. Insurance has a positive impact on society as self-protection and anticipation of risks that will occur.

SUGGESTIONS

For the Government

For the government, it has an important role to improve coordination between financial institutions and the insurance industry in increasing public awareness of the importance of having insurance, both National Health Insurance (NHI) and other health product insurance. In addition, accessibility is needed which will be the key to strengthening the positive impact of insurance on the welfare and health of the community in Indonesia.

For Health Services

For health services, it is necessary to increase additional benefits for the community related to insurance facilities and improve better service guarantees.

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