



**Program Evaluation for  
Jeevan Madhur Micro-Life Insurance Scheme**

Implemented by:

**RAJAGIRI - CASP**  
**Rajagiri College of Social Sciences**

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### **A. Mission of *RAJAGIRI-CASP***

To improve quality of life of children, their families and communities by establishing sustainable development processes.

### **B. Introduction**

Presently, *RAJAGIRI-CASP* is supporting 4,781 children through various sponsors. The guiding principle behind the activities of *RAJAGIRI-CASP* is the promotion of partnership and development through community participation with the motto of “Child as the Focus, Family as the Unit, and Community as the milieu of development.” In November 2007, *RAJAGIRI-CASP* was tasked with monitoring a micro-life insurance scheme for people living below the poverty line (BPL): the Jeevan Madhur Scheme, administered by Life Insurance Corporation of India (LIC). Three international Master of Public Health and Master of Business Administration students from the United States collaborated with *RAJAGIRI-CASP* to conduct a program evaluation to document the nine month progress of the scheme. The students were responsible for developing surveys, collecting data, conducting an analysis based on successful micro-life schemes, assessing satisfaction of the beneficiaries and field workers, as well as documenting results. *RAJAGIRI-CASP* was primarily responsible for arranging the distribution of surveys and other logistical aspects of the project. This report will identify whether the objectives of the program are being met, and provide recommendations on how this scheme can be improved in the future.

### **C. Background of Micro-Life Insurance in India**

Micro-insurance provides protection of poor people and their families against death, illness, and weather or other catastrophes. It differs from normal insurance in that it is a group insurance that covers thousands of beneficiaries under one contract and requires an intermediary between the beneficiary and the insurance company. These intermediaries are usually NGOs, microfinance institutions, or banks. A major challenge to selling micro-life insurance is raising awareness because people in poor regions are not familiar with the concept of insurance. Furthermore, people assume that the poor do not need insurance because they have many other concerns, such as basic necessities. However, what they fail to realize is that these poor people are in need of a social safety net because they face the same risks as normal people, but when one is poor, those risks occur at greater frequency and with a greater financial impact.

Due to a micro-insurance quota system, micro-insurance in India is primarily supply driven. Consequently, the success of micro-insurance is contingent on keeping transaction costs down. Micro-versions of every type of insurance have been tested, but the most common type of micro-insurance is life insurance. This is because the nature of life insurance makes reducing costs relatively simple. Benefits only need to be paid once, and problems related to fraud and moral hazards are minimal. (Allianz, GTZ, UNDP Report, August 2006)

Over the past several years, various life insurance schemes have been implemented in different parts of Kerala, including both public and private schemes. There are currently 16 registered life insurance companies in India. Among the major life insurance

companies in India are LIC, Bajaj Allianz, ICICI Prudential, and Tata AIG.<sup>1</sup> Life Insurance Corporation of India has become actively involved with many different NGO's to provide families with financial security in the case of death or accident of the primary income provider through programs such as the Jeevan Madhur Scheme.

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#### **D. Background on the Jeevan Madhur Scheme**

The Jeevan Madhur scheme is administered by LIC, which is one of the largest insurance providers in India and owned by the government of India. It insures millions of people, and is also involved in financing large construction projects throughout India. Through the scheme, LIC hopes to stimulate more demand for insurance in BPL communities, and build trust in insurance in these areas. Because a lack of trust in insurance plans exists in BPL areas, LIC has partnered with NGOs to market life insurance product in these particular areas.

*RAJAGIRI-CASP* and LIC began to work together in November of 2007. Through this collaboration, they have provided BPL families with financial security in the case of death or accident of the primary income provider. The program is fully functioned by *RAJAGIRI-CASP*, various volunteers, and agents known as Specified Persons (SP) who help promote and administer the product.

Depending on the premium amount, the individual receives a range of Rs. 5,000 – Rs. 30,000 in the case of death. Also, if one is involved in an auto collision and has paid at least two years of premiums, the beneficiary is exempt from premium payment and is covered by the insurance company for the remaining portion of their life. In the case that the reason for death is an accident, the beneficiary will be covered with an additional amount indicated by LIC. Additionally, the scheme covers disability due to loss of limbs or eyes.

*RAJAGIRI-CASP* receives 10% of the premium to cover the costs of facilitating these policies, of which 70% goes to paying the Specified Persons (SPs) for their service in collecting premiums and marketing the scheme. The remaining 30% is kept by *RAJAGIRI-CASP* to cover overhead costs.

Currently, the Jeevan Madhur Scheme is operating in six Panchayaths, and the nine SPs are covering a total of 410 policies. Among the BPL families, the average income is Rs. 1,000 to Rs. 3,000 per month and the life expectancy is 50 to 55 years. One would assume that access to low cost life insurance could be valuable to families living in such circumstances, and the results of the beneficiary surveys bear this out.

The team also evaluated the penetration rate of the Jeevan Madhur Scheme. The penetration rate refers to the percentage of the target population covered by a particular

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<sup>1</sup> <http://www.irdaindia.org/>. Accessed on 20th July 2008.

scheme. Table 1 shows a breakdown of the number of enrollees by Panchayath, total eligible families in these areas, and the penetration rate of the scheme.

*Table 1*

Panchayat	# of SP's	# of Policies in Area	Total # of Families in Area	Total # of BPL Families in Area	# of Wards	Penetration Rate
Tholur	2	151	6,000	2,109	15	7.2%
Kunnamkulam	1	62	2,000	1,000	3	6.2%
Kunnathanadu	3	121	6,500	2,176	17	5.6%
Budhanur	1	39	5,147	3,095	16	1.3%
Moolampilly	1	11	8,00	400	2	2.8%
Paingotur	1	26	5,000	2,500	14	1.0%
<b>Total</b>		<b>410</b>		<b>11,280</b>		<b>3.6%</b>

A secondary goal of the scheme is to encourage savings among BLP families. *RAJAGIRI-CASP's* assessment is that very few families in these Panchayats have any kind of savings plan. This life insurance scheme acts as a savings plan because at the end of the term, the amount a beneficiary has paid in premiums is returned, along with a bonus in the range of 40% to 50% of the amount paid in premiums. Other high-interest savings programs are available to BPL families, but the bonus makes this scheme much more attractive as a savings plan.

#### **E. Objectives of the Jeevan Madhur Program**

The main objectives that LIC hopes to accomplish through this scheme are as follows:

- Provide an insurance policy to a segment of the population which has not traditionally had access to insurance.
- Encourage savings among BPL families
- Create awareness of the Jeevan Madhur scheme, and insurance in general, in BPL communities
- Provide a social service to the BPL community by providing financial security in the case of death or accidents, particularly in families where there is only one source for primary income.
- Expand the scheme by encouraging the partner NGOs to hire more SPs and enroll more beneficiaries.

#### **F. RAJAGIRI-CASP's Role as the Micro-Insurance Agent**

*RAJAGIRI-CASP* acts as the micro-insurance agent of the project. According to the Deed of Agreement, signed on the 30<sup>th</sup> day of November 2007, *RAJAGIRI-CASP* is entitled to the following responsibilities:

- Collection of proposal forms
- Collection of self-declaration from the proposer that he/she is in good health.
- Collection and remittance of deposits premium with LIC
- Distribution of policy documents

- Maintenance of register for all those insured and their dependents (dependent parents and a maximum of three children) under the micro-insurance scheme, together with the details of name, sex, age, address, nominees and thumb impression/signature of the policyholder.
- Assistance in settlement of claims
- Ensuring nomination to be made by the insured
- Any policy administration service

Additionally, *RAJAGIRI-CASP* hopes that through its involvement in the program, it will be able to improve the lives of people in the communities Jeevan Madhur operates in. Thus, *RAJAGIRI-CASP* has its own set of objectives for the program:

- The beneficiaries will be insulated from costs associated with unexpected death or disability
- *RAJAGIRI-CASP's* assessment is that very few families in the BPL communities have any sort of savings plan. This plan will give people an incentive to put money away. Since they will get the money back with a bonus at the end of their term, the plan effectively acts as a high-interest savings account.
- Several women in the communities will benefit from part-time employment and an additional source of income by being hired as SPs.
- *RAJAGIRI-CASP* would ideally like the SPs to be able to earn at least Rs. 2,000 per month. In order for this to happen, the SPs will need to enroll more beneficiaries. *RAJAGIRI-CASP* is interested in knowing the level of satisfaction and understanding of the benefits among current beneficiaries in order to determine whether enrolling more people is feasible.
- In order to increase beneficiary confidence and cut overhead costs, *RAJAGIRI-CASP* hopes to streamline the process of collecting and tracking payments, and to provide receipts to beneficiaries once those payments are received.

### **G. Methodology**

The overall goal of this project was to conduct a thorough program evaluation to assess the nine month progress of the Jeevan Madhur Scheme. To understand the perspective and gauge perceptions of the scheme, we used several methods, including formal interviews, informal interviews, discussions at meetings, and distribution of surveys.

The student evaluation team took the following steps to collect data and conduct the program evaluation:

- Surveyed 83 beneficiaries of the scheme. The survey developed for the beneficiaries consisted of seven short-answer and multiple-choice questions, and eight ordered response questions. These questions targeted the beneficiaries' perceptions of the scheme, and how well they understood the benefits (*See Appendix 1*). The ordered response questions asked the beneficiaries if they strongly agreed, agreed, felt neutrally, disagreed, or strongly disagreed with a series of statements. This particular survey was distributed by the SPs in July 2008 during their house visits to collect premiums.

- Attended training and progress meeting for the SPs on 18<sup>th</sup> of June, 2008 held at the *RAJAGIRI-CASP* office. The survey for SPs consisted of seven short-answer questions and eight ordered response items (*See Appendix 2*), and were distributed to nine SPs at this meeting.
- Reviewed literature published by Life Insurance of India (LIC) relating to the Jeevan Madhur scheme
- Studied other relevant literature on micro-insurance and life insurance in India.
- Conducted a personal interview with Mr. Joseph William, manager of micro-insurance at LIC, to understand his perceptions of the project, along with the goals of LIC.
- Met with *RAJAGIRI-CASP* staff members on a regular basis to understand objectives, background, and threats of the program.

## **H. Key Indicators for Program Evaluation and Results**

The information collected from the various sources was reviewed and cross-checked when possible. The results of our analysis have been organized thematically.

### Financial Sustainability:

Since LIC is a large, publicly-owned company, and since it views this scheme as a way to provide a valuable service to BPL families, there are no immediate concerns in terms of the financial viability of the plan. LIC is unlikely to become insolvent, or to suddenly discontinue the scheme.

In terms of the financial capacity of *RAJAGIRI-CASP* to administer the scheme, *RAJAGIRI-CASP* receives 10% of the income made by LIC to cover overhead costs. For the *RAJAGIRI-CASP* staff members working on the scheme, this is one of many projects in which they are involved. Therefore, it is difficult to estimate how much money *RAJAGIRI-CASP* spends on a monthly basis for implementing the scheme. However, the plan does not require a large amount of time or resources, and it is safe to say that it does not represent a major financial burden to *RAJAGIRI-CASP*. According to *RAJAGIRI-CASP*, the NGO has thus far incurred a loss of 1,000 rupees on the Jeevan Madhur Scheme. They initially received a profit from the scheme of 1,000 rupees, but spent 2,000 rupees for administering the plan. *RAJAGIRI-CASP* hopes to recuperate these losses in the coming year.

To provide a financial incentive to the SPs, *RAJAGIRI-CASP* has decided to keep only 30% of the 10% commission and give the Specified Persons (SPs) the other 70%. This commission gives the SPs an incentive to enroll more beneficiaries in the plan. However, many of the SPs responded in the survey that the amount they receive is insufficient.

Currently the SPs work an average of four hours a week on this scheme; based on the data collected in the SP surveys, an SP has the ability to manage an average of 16.41 beneficiaries per hour worked each week. According to data provided by LIC, beneficiaries pay an average of Rs. 111.61 per month in premiums. Using this information, we calculated the number of hours of work necessary and the amount of income that would be generated if the beneficiaries enrolled 500 people. According to

*RAJAGIRI-CASP* representatives, 500 is the maximum number of beneficiaries each SP can handle on an annual basis. We also calculated the number of hours a beneficiary would have to work in order to generate a good income and a comfortable income, Rs. 2,000 per month and Rs. 1,500 per month, respectively. These income levels were also noted by *RAJAGIRI-CASP* representatives. A 7% commission, the current commission level, as well as a 10% commission level were used as a basis for our calculations. The following tables show the details of the analysis:

Table 2

Hours and income if an SP enrolls 500 beneficiaries		
	At 7% Commission	At 10 % Commission
Required work hours per week	30.43	30.34
Average amount earned per month	3,906.35	5,580.50

Table 3

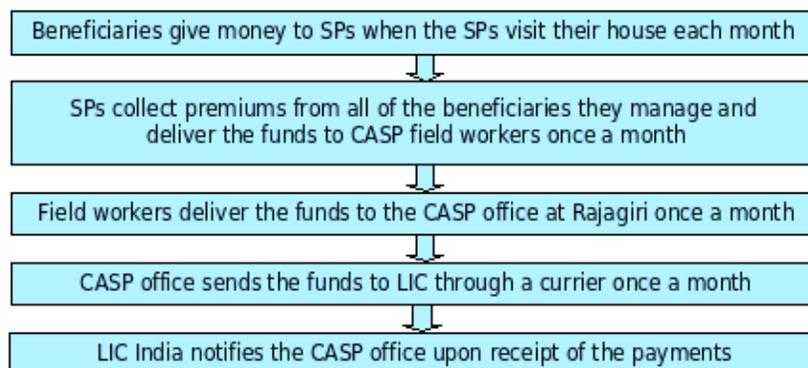
Number of Beneficiaries and work hours necessary to earn Rs. 2000 per month		
	At 7% Commission	At 10 % Commission
Number of beneficiaries needed to be enrolled	256	180
Number of required work hours per week	15.58	10.91

Table 4

Number of beneficiaries and work hours necessary to earn Rs. 1500 per month		
	At 7% Commission	At 10% Commission
Number of beneficiaries needed to be enrolled	192	135
Number of required work hours per week	11.69	8.18

### Process Improvements

The current process for collecting payments is relatively slow, resulting in long periods between the time the payment is collected from a beneficiary and the time that payment reaches the insurance company. In addition, the process does not result in the beneficiary receiving a receipt for the payment. This is because LIC has decided not to give receipts in its effort to minimize costs. The lack of a receipt has caused some concern among beneficiaries. The current process for collecting payments is as follows:



A streamlined process would shorten the time it takes, and would require less time from *RAJAGIRI-CASP* staff. Such a process has already been tested in Budhanur, and will likely be adopted in the rest of the Panchayaths. This process involves a bank account, into which the SPs can deposit the payments and the *RAJAGIRI-CASP* office can transfer the funds directly to LIC. This system does not depend on the physical transport of the funds, and reduces the number of people who have to touch them. In addition, the SPs will be given receipt booklets, so that they can provide the beneficiaries with a receipt at the time the premium is collected.

SP competence and satisfaction:

The Jeevan Madhur Scheme provides SPs with a form of part-time employment, as the scheme is administered through the efforts of the SPs. Therefore, it is extremely important to assess their satisfaction and competence. As noted earlier, the *RAJAGIRI-CASP* staff indicated that earning 2,000 rupees per month is considered to be good for an SP, and earning 1,500 rupees per month is considered to be comfortable. We used these benchmarks to create a potential earning list for the SPs in each area.

*Income:*

The results from the surveys collected from eight of the nine SPs (*see Appendix 3*) indicate that the program is helping them earn additional income. Three of the six SPs who responded to the question reported that this is their only source of income. However, the results indicated that the SPs are not satisfied with the amount they are currently earning. The responses to questions regarding their satisfaction with the amount they are earning were neutral, and they tended not to see the 7% commission as a strong motivator. Five of the eight SPs commented that they felt the commission should be raised, with two suggesting that a commission of 10% would be appropriate.

*Difficulties (Enrolling):*

The SP survey results did not indicate that the SPs are having any difficulty enrolling people. None of the SPs said they had experienced any difficulties in enrolling people. All of them indicated that the scheme offers incentives for people to enroll, and all but one SP indicated that people in their community value life insurance.

*Work Time:*

Due to the nature of the job, the SPs are free to do as much or as little work as they choose. The only real requirement is that they collect premiums from each beneficiary they have enrolled once each month. This requires home visits to each of the beneficiaries. In the survey, the SPs reported a wide range of time spent working on the scheme: between one and seven hours per week. The average amount of time working was 3.71 hours per week. One SP reported working three days per week. There was a slight tendency to agree with the statement that this work had caused them to have less time to spend on other daily activities, but the majority of the responses to that particular question were neutral.

### *Training:*

LIC provides training for the SPs on the benefits of the scheme. These training sessions have taken place at the *RAJAGIRI-CASP* office at Rajagiri College of Social Sciences. Two of the SPs reported attending three-day training programs, three said they had attended one-day programs, and one SP reported no training. Most of the SPs feel their training has prepared them to carry out their duties; however, the SP who reported receiving no training reported feeling unprepared.

### Beneficiary Perceptions

The team measured the beneficiaries' perceptions of the scheme by analyzing how satisfied they are with the scheme, as well as analyzing if they understood the main objective of the scheme. *RAJAGIRI-CASP* wanted to promote the Jeevan Madhur Scheme would like to make sure the beneficiaries' understand that this plan is both a life insurance and savings plan.

### *Satisfaction*

Of the 83 beneficiaries surveyed, 72% of the beneficiaries are *very satisfied* with what the Jeevan Madhur life insurance scheme has to offer and 25% of the beneficiaries are *satisfied* with the scheme. None of the respondents stated that they are not satisfied with the scheme. The beneficiaries also seemed confident that the scheme would provide sufficient coverage in the case of a catastrophic event. If there were to be a death in the family, 93% of the respondents *strongly believed* that they could rely on the reimbursement provided by the life insurance plan to support their family, whereas 5% *believed* that they could rely on the reimbursement provided by the life insurance plan to support their family.

Overall, the beneficiaries seem to be satisfied with the SPs and have received sufficient training in filing claims. 65% of the beneficiaries *strongly agreed* that the SPs had answered all of their questions correctly and 28% of the beneficiaries *agreed* the SPs had answered all of their questions correctly. 60% of respondents *strongly agreed* that they would be adequately prepared to file a claim if asked to do so, and 34% of the respondents *agreed* that they would be adequately prepared to file a claim in the event of a death. However, 3% of the beneficiaries *disagreed*, and felt that they would not be adequately prepared to file a claim if asked to do so. Furthermore, when asked if investing in a savings account would be better than this life insurance plan, only 4% said this would be a good idea, whereas 94% did not think this would be a good idea. This confirms that the beneficiaries really value this plan.

Another strong indicator of whether the beneficiaries think this plan is effective is if the beneficiaries are willing to increase their coverage amounts. 72% of the beneficiaries would like to increase the amount of coverage they have applied for, and 28% of the beneficiaries want to maintain the same coverage amounts previously applied for.

Finally, the last indicator of satisfaction is whether or not these beneficiaries would recommend this scheme to their neighbors. 7% of the sample indicated that they would

not recommend this scheme to their neighbors, while 88% of the sample would recommend this plan to their neighbors, indicating a positive perception of the plan.

#### *Knowledge of the scheme*

The survey results indicate that several beneficiaries have doubts regarding the life insurance program. For instance, 15% of the sample stated that they have doubts about the Jeevan Madhur scheme and 19% remained neutral, indicating that these people might also have doubts about this program. On the other hand, 60% did not have any doubts about this program.

67% of the beneficiaries indicated that they think the Jeevan Madhur scheme is the same as a savings plan, while only 29% indicated that this scheme is NOT the same as a saving plan. Based on these results, it is clear that the beneficiaries do not have a thorough understanding of the plan and SPs should communicate the objectives of the scheme more effectively during house visits and training meetings. 87% of the beneficiaries stated they are using the Jeevan Madhur Scheme as a life insurance plan, and only 13% confirmed that they are using the plan as a savings plan. When asked how much beneficiaries think will be paid out to them at the end of the program, the average expected payout was Rs. 13,531.

#### **I. Limitations**

There are several limitations to our data collection and methodology worth mentioning.

Firstly, due to the close knit nature of the SPs, the survey could not be given anonymously. This may have caused them to provide less honest answers.

Secondly, the surveys were distributed through the SPs. Although this method allowed for a larger sample size, it meant that the sample was not random.

Thirdly, the evaluation team was not present when the surveys were administered. Under the circumstances, it is impossible to know the details of how uniformly the surveys were given, and how free the beneficiaries felt to respond honestly. Furthermore, many of the surveys were incomplete, with one or more of the questions not having been answered.

Finally, we received 20 surveys from the same Panchayat with the same exact responses. It is highly unlikely that 20 beneficiaries would have responded identically to the survey. This irregularity may have indicated a slightly more positive picture than perhaps would have, especially since these surveys indicated high levels of satisfaction across all questions. However, these surveys only slightly skewed the data, and in the end they were not removed from the dataset.

## **J. Recommendations**

Based on our analysis, the student evaluation team proposes the following recommendations:

- ***Increase marketing efforts of the insurance product to raise awareness in the Panchayats.*** There are several different techniques that can be used and should be conducted every two months each year. LIC could hold a public reimbursement of claims at village meetings. This can be used as a marketing opportunity to demonstrate the advantages of having insurance. Additionally, SPs from assigned villages with policyholders should also go to other villages to show the advantages of having life insurance.
- ***Conduct beneficiary satisfaction surveys (see Appendix 1 and 2) every six months.*** The beneficiary survey will provide *RAJAGIRI-CASP* with information on the beneficiaries' perspectives on the scheme, including their level of satisfaction, their understanding of the benefits, and any difficulties that might arise as a result of their enrollment. This type of monitoring is essential to ensure sustainability of the scheme. Because the SPs have a significant role in enrolling policies, satisfaction of the SPs is equally as crucial. Therefore, the SP surveys should also be administered on a regular basis to ensure sustainability of the scheme.
- ***Ensure that training is uniform for all SPs.*** The training should be sufficient for them to feel confident in searching for new recruits. If they do not feel that they fully understand the program themselves, it is unlikely that they will devote more time and energy to trying to bring more people into the program.
- ***Create a system to avoid delays in settling commission amounts to the SPs.*** The *RAJAGIRI-CASP* staff should keep track of commission amounts settled on a monthly basis. Furthermore, if accounts are not being settled, they should set up a system where LIC is immediately notified. This system will result in greater satisfaction of the SPs.
- ***Provide more incentives for SPs to recruit new beneficiaries.*** The SPs reported that the current commission of 7% is not sufficient, and many of them suggested it be raised to 10%. *RAJAGIRI-CASP* may want to consider increasing the commission; however, it would result in *RAJAGIRI-CASP* covering the expenses of implementing the program. In that case, *RAJAGIRI-CASP* would effectively be providing a free service to LIC, and would have to determine whether providing employment for the SPs is worth the cost. However, since the chance of raising the commission percentage appears to be very slim, *RAJAGIRI-CASP* should focus on asking the SPs to increase the number of policies in each Panchayat.

- ***Provide non-monetary incentives to the SPs every three to six month and create a competitive but healthy working environment for the SPs.*** If the SPs are more motivated, they will have a greater incentive to enroll more policies. For example, prizes could also be given out to the SP that enrolls the most number of people each month. These prizes could include free tickets to local restaurants, movie theatres, or cultural shows. A simple award or certificate may also increase the SPs' satisfaction.
- ***RAJAGIRI-CASP staff should provide suggested amounts of time that the SPs should spend collecting and recruiting.*** The suggestions should be based on the estimated amount of work necessary to earn 1500 Rs. or 2000 Rs. per month. (please refer to tables 2, 3, and 4 above)
- ***Implement the payment process used in Budhanur in all of the Panchayaths.*** This would include giving receipts to beneficiaries at the time of payment, lowering RAJAGIRI-CASP's costs associated with the program and improve confidence among the beneficiaries at the same time.
- ***Establish easy-to-measure objectives to determine progress of the program.*** Below are a few examples of measurable objectives:
  1. Enroll at least 30% of each Panchayat in the Jeevan Madhur Scheme in the next year
  2. Each SP should enroll at least 15 more policies
  3. At least 85% of beneficiaries enrolled in this plan should be satisfied with the scheme

***Appendix 1: Survey for Beneficiaries***

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***Part 1: Please take a few minutes to provide the following information:***

**Name:**

**Age:**

**Panchayat:**

**District:**

**Monthly Household Income:**

1. Who is covered under this life insurance plan in your family?
  
2. Are you using this program as a savings plan or a life insurance plan?
  
3. What do you expect to be paid at the end of the program?
  
4. Do you feel you are sufficiently covered with this plan in case of a death in the family? Would you want to increase the amount you are covered for?
  
5. List three reasons why you enrolled in this program. Please select two choices only and rank them 1 or 2 by priority. If you choose other, please list the reason.  

<input type="checkbox"/> Low minimum premiums	<input type="checkbox"/> Life insurance is a necessity for my family
<input type="checkbox"/> Well-know life insurance policy in the area	<input type="checkbox"/> Other _____
  
6. List the top three challenges you have encountered with this program. Please select two choices only and rank them 1 or 2 by priority. If you choose other, please list the reason.  

<input type="checkbox"/> Lack of detailed knowledge about program	<input type="checkbox"/> Lag between enrollment and receipt of bond
<input type="checkbox"/> I don't think my family will need this policy	<input type="checkbox"/> Other _____
  
7. List anyone in your community who has expressed interest in enrolling in this program.
  - 1.
  - 2.

***Appendix 1: Survey for Beneficiaries***

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***Part 2: Please indicate the extent to which you agree or disagree with the following statements by circling a number:***

***1 = strongly agree, 2 = agree, 3 = neutral, 4 = disagree, 5 = strongly disagree***

8. I am satisfied with what the Jeevan Madhur life insurance scheme has to offer to me.

1-----2-----3-----4-----5

9. If there is a death in the family, I believe I can rely on the reimbursement provided by the life insurance plan to support my family.

1-----2-----3-----4-----5

10. I have had all my questions about the program accurately answered by the SP's.

1-----2-----3-----4-----5

11. If I need to file a claim under this scheme, I feel adequately prepared to do so.

1-----2-----3-----4-----5

12. I still have doubts about the program.

1-----2-----3-----4-----5

13. I would not recommend this program to the neighbors in my community.

1-----2-----3-----4-----5

14. I feel that this program is the same as a savings plan.

1-----2-----3-----4-----5

15. I feel that investing in a savings account would have been better than the life insurance plan.

1-----2-----3-----4-----5

***Thank you for completing the survey!***

***Appendix 2: Survey for Specified Persons (SPs)***

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***Part 1: Please take a few minutes to provide the following information:***

**Name:**

**Age:**

**Panchayat:**

**District:**

**Monthly Household Income:**

1. How much has this job contributed to your monthly household income since inception?
2. How many hours week do you spend working on this scheme?
3. How many beneficiaries have you enrolled in the plan?
4. How often do you collect payments from the beneficiaries and how often do you give payments to Field Workers?
5. What gives people an incentive to enroll?
6. What difficulties have you had enrolling people?
7. What training did you receive in enrolling people in this program? How long was your training?  
Examples: Pamphlets, brochures, PowerPoint, videos, etc.
8. Please list your other sources of income:

***Appendix 2: Survey for Specified Persons (SPs)***

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***Part 2: Please complete the following by circling a number.  
1=strongly agree, 2=agree, 3=neutral, 4=disagree, 5=strongly disagree***

9. I'm satisfied with the amount that working for this scheme has contributed to my income.

1-----2-----3-----4-----5

10. I have had to less time to spend on my daily routines because of Jeevan Madhur scheme.

1-----2-----3-----4-----5

11. The 7% commission is a strong motivation for me to encourage others to enroll into the program.

1-----2-----3-----4-----5

12. I am satisfied with what I am making from this scheme

1-----2-----3-----4-----5

13. This scheme has the ability to help people accumulate savings.

1-----2-----3-----4-----5

14. Life insurance is a priority for the people in the village I work in.

1-----2-----3-----4-----5

15. My training has adequately enabled me to work in the field.

1-----2-----3-----4-----5

***Please provide any additional comments or suggestions below:***

### Appendix 3: Results from Survey for Specified Persons (SPs)

#### Summary of Data Collected from Survey for S.P.s, Given on 18/6/2008

On June 18<sup>th</sup> 8, SPs working on the Jeevan Madhur insurance scheme took a survey to assess their attitudes toward the program. Below is a copy of the survey, including the SPs responses. Each SP is identified by a number (1 through 8).

**Please indicate the extent to which you agree or disagree with the following statements by circling a number.**

**1=strongly agree, 2=agree, 3=neutral, 4=disagree, 5=strongly disagree**

1. I'm satisfied with the amount that working for this scheme has contributed to my income.

**1-----2-----3-----4-----5**

SP#	1	2	3	4	5	6	7	8	Mean	Mode
Response	5	3	3	1	3	4	3	3	2.89	3

2. I have had to less time to spend on my daily routines because of Jeevan Madhur scheme.

**1-----2-----3-----4-----5**

SP#	1	2	3	4	5	6	7	8	Mean	Mode
Response	1	3	2	3	2	3	3	3	2.36	3

3. The 7% commission is a strong motivation for me to encourage others to enroll into the program.

**1-----2-----3-----4-----5**

SP#	1	2	3	4	5	6	7	8	Mean	Mode
Response	4	2	3	1	2	3	4	4	2.63	4

4. I am satisfied with what I am making from this scheme.

**1-----2-----3-----4-----5**

SP#	1	2	3	4	5	6	7	8	Mean	Mode
Response	1	3	3	1	3	2	3	3	2.17	3

5. This scheme has the ability to help people accumulate savings.

**1-----2-----3-----4-----5**

SP#	1	2	3	4	5	6	7	8	Mean	Mode
Response	1	3	1	1	2	3	1	1	1.44	1

6. Life insurance is a priority for the people in the village I work in.

**1-----2-----3-----4-----5**

**Appendix 3: Results from Survey for Specified Persons (SPs)**

SP#	1	2	3	4	5	6	7	8	Mean	Mode
Response	1	2	2	2	2	3	1	1	1.62	2

7. My training has adequately enabled me to work in the field.

1-----2-----3-----4-----5

SP#	1	2	3	4	5	6	7	8	Mean	Mode
Response	1	4	2	1	-	3	3	1	1.84	1

*Please provide short answers to the following questions in the spaces provided:*

8. How much has this job contributed to your monthly household income since inception?

SP#	Response
1	To some extent
2	I didn't do enough work
3	Very Much
4	A Little
5	A lot
6	I started insurance, my monthly premium Rs 200 Getting money for basic needs
7	A little
8	A little

9. How many hours a week do you spend working on this scheme?

SP#	Response
1	3 days, in a week
2	1 hour
3	2 hours
4	7 hours
5	4 hours/day
6	3 hours
7	4 hours
8	6 hours

***Appendix 3: Results from Survey for Specified Persons (SPs)***

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10. How many beneficiaries have you enrolled in the plan?

<b>SP#</b>	<b>Response</b>
1	40
2	23
3	67
4	11
5	84
6	62
7	35
8	63

11. How often do you collect payments from the beneficiaries and how often do you give payments to Field Workers?

<b>SP#</b>	<b>Response</b>
1	-
2	Monthly
3	1 time
4	3
5	1 a month
6	2 or 3 times
7	Every month
8	Monthly

12. What gives people an incentive to enroll?

<b>SP#</b>	<b>Response</b>
1	-
2	1) Monthly Scheme. Low Premium. Insurance Coverage.
3	Saving habit
4	Savings habit
5	Premium is less
6	Premium amount is less
7	Insurance premium is less
8	It is a good scheme

13. What difficulties have you had enrolling people?

<b>SP#</b>	<b>Response</b>
1	No
2	No
3	No
4	No
5	No
6	Though rich people reluctant to join, I could convince them later.
7	No
8	No

14. What training did you receive in enrolling people in this program? How long was your training? Examples: Pamphlets, brochures, PowerPoint, videos, etc.

***Appendix 3: Results from Survey for Specified Persons (SPs)***

SP#	Response
1	-
2	Nil
3	1 day training
4	1 day
5	One day Training
6	The advantages of Insurance for people.
7	3 days training of LIC
8	3 days training of LIC

15. Please list your other sources of income:

SP#	Response
1	Animator
2	3000/-
3	No
4	No
5	No
6	Work as animator and getting salary.
7	-
8	-

*Please provide any additional comments or suggestions below:*

SP#	Response
1	This program helps 'the poor' people to get insured
2	Receipt to be given after payments Commission should be released Make arrangements of policy amount payment at local level [illegible] claim program also added to this program
3	SP commission should be raised to 10%. Receipt from Office at least once in 3 months.
4	Jeevan Madhur scheme
5	Commission should be raised More assistance Training occasionally
6	-
7	Commission should be raised.
8	Commission should be raised to 10%.

***Appendix 4: Jeevan Madhur Benefit Details (from LIC website)***

**Maturity Benefit:** On your surviving to the date of maturity, payment of the Maturity Sum Assured along with vested bonuses, if any.

The specimen Maturity Sum Assured per Rs. 1200 annual premium are given below for some of the decennial ages and terms:

Age at Entry	Policy Term		
	5 years	10 years	15 years
20	5089	11219	18561
30	5081	11173	18396
40	5026	10910	17572
50	4847	10066	14884

**Death Benefit:** Payment of an amount equal to total premiums payable during the entire term of the policy along with vested bonuses, if any.

**Accidental Death and Disability Benefit:** On death arising as a result of accident an additional amount, equal to Death Benefit Sum Assured shall be available during the term of the policy.

On total and permanent disability arising due to accident (within 180 days from the date of accident), the Accident Benefit will be payable in monthly installments spread over 10 years. If the policy becomes a claim either by way of death or maturity before the expiry of the said period of 10 years, the disability benefit installments which have not fallen due will be paid along with the claim.

The disability due to accident should be total and such that the Life Assured is unable to carry out any work to earn the living. Following disabilities due to accidents are covered:

- a) Irrevocable loss of the entire sight of both eyes, or
- b) Amputation of both hands at or above the wrists, or
- c) Amputation of both feet at or above ankles, or
- d) Amputation of one hand at or above the wrist and one foot at or above the ankle

**Auto-Cover Facility:** If at least two full years' premiums have been paid in respect of this policy, any subsequent premium be not duly paid, full death cover shall continue from the due date of First Unpaid Premium(FUP) for a period of two years or till the end of policy term, whichever is earlier.

During the Auto Cover Period, the Accident Benefits shall not be available.