

GUIDELINES FOR IMPROVING PERCEPTION OF INSURED PERSONS UNDER ARTICLE 40 ON SOCIAL SECURITY BENEFITS: A CASE STUDY OF THE SOCIAL SECURITY OFFICE OF KHON KAEN PROVINCE

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Abstract

This study aims to examine the level of perception of the insured persons under Article 40 on their social security benefits, to determine their level of opinion on the self-insurance under Article 40, and to suggest guidelines for improving the perception of the social security benefits under Article 40 of the insured persons at the Social Security Office of Khon Kaen Province. The research instrument used in this study is a questionnaire that has been given to 400 insured persons under Article 40 at the Social Security Office of Khon Kaen Province. The statistics employed in this study include percentage, mean value and standard deviation, as well as the analysis of variance using T-test and F-test values. According to the results, government officers/networks are the most influential source of information for the perception of the insured persons under Article 40. Their knowledge of the social security benefits under Article 40 is found at the moderate level with correct answers 70.67%. In addition, the insured persons under Article 40 of different genders, age groups, levels of education and monthly incomes share the same level of perception of their social security benefits, and according to the questionnaire they also agree on the overall issues of self-insurers under Article 40. Also, the insurers of different genders, age groups, level of education and monthly incomes possess the same level of opinion on self-insurance under Article 40. The guidelines to increase the perception of social security benefits under Article 40 of the insured persons at the Social Security Office of Khon Kaen Province include disseminating information about social security benefits, sharing good experience gained from Article 40 insurance, and advertising the insurance at the counter number 40.

Keywords: the Right to Social Security Benefits, the Insured Persons (Article 40)



Introduction

The Social Security Office which was founded in 1990 is one of the government sectors under the supervision of the Department of Labor. According to the Social Security Act, B.E. 2533 and the Workmen's Compensation Act, B.E. 2537, this sector has four prominent responsibilities. First is to administer government policy on social welfare and compensation welfare. Second is to ensure the provision of medical benefits and compensation for employees or insured persons during the occurrence of disappearance, injuries or sickness caused from work performance and during other conditions including childbirth, invalidity, death, child allowance, old age pension, and unemployment. The benefits are considered valid when the agreed contributions have been paid to social security fund or compensation fund by employers, employees, insured persons, and government for the correct number of months. Third is to apply the registration regulation with the registered and self-employed workers, so they are covered by the Social Security Act. Last responsibility is to broaden the insured persons' perception on their social security benefits and responsibilities which, reciprocally, would result in public positive and concrete perception of the Social Security Office [1].

In 1994, Thai government encouraged self-employed workers to voluntarily register for social security verification regarding Article 40 of the Social Security Act, B.E. 2533. The contributions of 3,360 Thai Baht shall be paid on yearly basis by the insured persons only. Three benefits, including maternity benefits, invalidity benefits, and death benefits are provided. Regarding the total number of registered insurers on December, 2010, there were a total of 84 insurers. This number yielded a small growth of registered insured persons with a total difference of 24 increased from the previous study conducted on the same month in 2009 and even lesser when compare with the population of self-employed workers of 20 million at that time. This fact highlighted the disassociation between the social security system and the needs of self-employed workers. Later in 2011, the government developed the social security policy to meet the self-employed workers' conditions by assigning the Social Security Office to revise Royal decree and regulations related to the self-insured rights to obtain compensation (amend1). Two options were proposed. First, the amount of 100 Thai Baht contribution should be paid monthly; 70 Thai Baht is paid by the insured person and 30 Thai Baht is substituted by the government. Those who chose this option gained compensation benefits under 3 circumstances: sickness or accident (free of medical charge privileged by gold card scheme), invalidity, and death. The other option required monthly contributions of 150 Thai Baht; 100 Thai Baht is paid by the insured person while another 50 Thai Baht is substituted by the government. Those who preferred this option would receive benefits proposed within the first option plus old age pension. In 2013, the Royal decree (amend2) was launched, and the third option was added for the insured person under Article 40. The third option granted the old age benefits (old-age security pension) requiring a contribution of 100 Thai Bath paid monthly by the insured person and the government will also substitute another 100 Thai Baht on a monthly basis. Regarding the new option, the insured persons under Article 40 has acquired the similar in old-age security pension rights to the registered employees. With this revised contribution payment method of 3 method 5 models, it is proved to be a good incentive for other self-employed workers to involve in the Article 40 [2].

Nowadays, there are 2.54 million insured persons across the country [4] compare with the overall 22.1 million self-employed workers [3]. There are 35,819 insured persons under Article 40 in Khon Kaen Province which considered as a very small amount compare with the number of self-employed workers of 569,188. This fact accentuates a gap that excludes many self-employed workers from acknowledging benefits of social security system; therefore, they would not able to live an effective life when facing problems. Government, in the end, need to interfere and carry this avertable burden. The researcher, as one of the government officers is interested in examining the perception of insured persons under Article 40 on their social security benefits and also determining their opinion towards the self-insurance under Article 40. The collected data will be applied to develop guidelines for improving the perception of the social security benefits under Article 40 of the insured persons at the Social Security Office of Khon Kaen Province. The Social Security of Khon Kaen Province will apply the result obtained to broaden the knowledge and perception regarding the social security benefits under Article 40 of other self-employed workers. Not only the target group will enjoy this benefit, the Social Security Office will project positive impression as well.

Objectives

1. To examine the level of perception of the insured persons under Article 40 on their social security benefits.
2. To determine their level of opinion on the self-insurance under Article 40.
3. To suggest guidelines for improving the perception of the social security benefits under Article 40 of the insured persons at the Social Security Office of Khon Kaen Province.

Methodology

1. **To examine the level of perception of the insured persons under Article 40 on their social security benefits:**

The population in this study was a group of 35,819 insured persons [5] under Article 40 at the Social Security Office of Khon Kane Province. Yamane's sample size calculation formula [6] was implemented. And as a result, a sample group of 35,819 was determined. However, a representative sample size of 400 questionnaires was distributed to avoid risk tolerance.

The questionnaires used to collect data in this stage comprised of 2 parts. First is the general demographic information, there were all together 8 closed-ended questions asking about genders, age groups, educational levels, careers, monthly income, self-insurance models, the most popular media platform used to receive information about self-insurance under Article 40, and the most influential media platform affected the perception about self-insurance under Article 40. The second part was designed using true or false questions testing the insured person's perception about social security benefits under Article 40. One point is given for each correct answer, and none is given for the incorrect one. The scoring system to indicate the level of perception about self-insurance under Article 40 on social security benefits is presented below [7]:



- 12 correct answers (more than 80%) high-level perception
- 8-11 correct answers (50%-79.99%) average-level perception
- Less than 8 correct answers (49.9%) low-level perception

After having 3 experts to review, criticize, suggest, and revise the questionnaire, the index of consistency (IOC) was adopted to examine the validity. As a result, the IOC value fell between 0.50-1.00 [8]. The questionnaire was then use to collect data in this study.

The statistics employed in this study include percentage, mean value and standard deviation, as well as the analysis of variance using T-test to compare the difference perception level of the insured person divided according to age groups, educational levels, careers, and monthly income.

2. To determine the level of opinion of the insured persons on the self-insurance under Article 40.

The sample group consisted of 400 insured persons under Article 40 of Social Security Office of Khon Kaen Province.

The third part of questionnaire was used to collect data about their opinion on the marketing mix. Seventeen questions on the rating scale from 1-5, strongly agree, agree, unsure, disagree, and strongly disagree, were designed.

After having 3 experts to review, criticize, suggest, and revise the questionnaire, the index of consistency (IOC) was adopted to examine the validity. As a result, the IOC value fell between 0.50-1.00 [8]. The questionnaire was then use to collect data in this study.

The statistics employed in this study include percentage, mean value and standard deviation, as well as the analysis of variance using T-test to compare the difference opinion level regarding self-insurance under Article 40 of different insured persons divided according genders. F-test statistical analysis was adopted to compare the difference opinion level of different groups divided according to age groups, educational levels, careers, and monthly income.

3. To suggest guidelines for improving the perception of the social security benefits under Article 40 of the insured persons at the Social Security Office of Khon Kaen Province.

The results from examination of insured persons' level of perception, the results from the determination of their opinion level, and their suggestions were sensitized to develop guidelines for improving the perception of the social security benefits under Article 40 of the insured persons at the Social Security Office of Khon Kaen Province.

Results

1. Results on the level of perception of the insured persons under Article 40 on their social security benefits:

From the demographic analysis, the result indicated that a majority of the respondents was female with ages varied between 41 years but not exceed 60 years. They were educated no higher than secondary school, diploma or higher diploma level. Their carriers were farmers, merchants (vendors or hawkers), and employees/contractors; therefore, the monthly

income derived varied between 9,001 Thai Baht but not exceed 12,000 Thai Baht. These insured persons under Article 40 chose different contribution payment methods, including: second method/second model which required contribution monthly payment about 150 Thai Baht and both second and third method/fifth model which required contribution monthly payment about 350 Thai Baht. Government officers /television network were the influential source of information for their perception as the insured persons under Article 40.

Their perception on social security benefits under Article 40 was at the average level with an average score of 10.60 (70.67%) and standard deviation of 1.66. The highest score received was 16 while the lowest score was 6. The result yielded that the insured persons under Article 40 of different genders, age groups, educational levels, careers, and monthly income share the same level of perception on their social security benefits.

2. The result on the level of opinion of the insured persons on their self-insurance under Article 40

The overall opinion from the respondents on the topic of social security under Article 40 was mutually agreed. The topic that reached this agreed level was the necessary to advertise information about social security benefits under Article 40 through different media such as television, radio, billboard, pamphlet, and poster. Being informed about the social security benefits and regulations, the insured persons under Article 40 receive the utmost advantages by submitting the contributions continually. The Social Security Office of Khon Kaen was perceived as a reliable sector.

However, the officer should launch monthly announcement at the District Office to encourage the application and open up more contribution payment channel for insured persons under Article 40. The extended social security benefits under Article 40 to self-employed workers helped promoting their quality of life. The service was fast and accurate. The officers were equipped with knowledge regarding the topic. It was easy to understand the conditions that lead to the rights to obtain benefits as insured persons under Article 40. The contributions rate was appropriate and worth the benefits. Service offered either the flow of the line and the passage available was appropriate and accessible. The service space was appropriate equipped with facilities such as drinking water, chairs, pamphlets, magazines, and related documents. The officers were skillful, experienced, and had good problem solving skill; moreover, they also were friendly, polite and service minded. The service procedures and benefits publicized were clear. There were two insured topics. The first topic was the benefits publicizing that was able to reach the self-employed workers' community well. The second topic was the location and the accessible of the office. To summarize, the insured persons under Article 40 from different genders, age groups, educational levels, careers, and monthly income share the same level of opinion towards social security under Article 40.

3. Guidelines for improving the perception of the social security benefits under Article 40 of the insured persons at the Social Security Office of Khon Kaen Province.

The results obtained were used to develop two guidelines for improving the perception of the social security benefits under Article 40 at the Social Security Office of Khon Kaen Province. First is to launch a campaign to publicize the information to the target group.



Second is to launch a campaign to improve the perception about the insured persons under Article 40 through network with the budget of 125,600 Thai Baht.

Conclusion

The most of the respondents was female with ages varied between 41 years but not exceed 60 years. They were educated no higher than secondary school, diploma or higher diploma level. Their carriers were farmers, merchants (vendors or hawkers), and employees/contractors. Therefore, the monthly income derived varied between 9,001 Thai Baht but not exceed 12,000 Thai Baht. The perception on social security benefits under Article 40 was 70.67%. The government officers/networks are the most influential source of information for the perception of the insured persons under Article 40. Their knowledge of the social security benefits under Article 40 is found at the moderate level with correct answers 70.67%. In addition, the insured persons under Article 40 of different genders, age groups, levels of education and monthly incomes share the same level of perception of their social security benefits, and according to the questionnaire they also agree on the overall issues of self-insurers under Article 40. Also, the insurers of different genders, age groups, level of education and monthly incomes possess the same level of opinion on self-insurance under Article 40. The guidelines to increase the perception of social security benefits under Article 40 of the insured persons at the Social Security Office of Khon Kaen Province include disseminating information about social security benefits, sharing good experience gained from Article 40 insurance, and advertising the insurance at the counter number 40

Discussion

This study of insured persons' perception on their social security benefits under Article 40 can be discussed as follows:

1) The average perception of the insured persons on their social security benefits under Article 40 indicates poor understanding that the insured persons have about their rights although they are already registered in the social security system. Therefore, the self-employed workers who haven't applied into this system would possess less understanding about their social security benefits under Article 40. The result aligns with Napat Sudthanoom's study explained that low level of perception is a reason hindering the self-employed workers from applying to the social security system [9]. Similarly to Pitsamai Buthsambor's conclusion which has confirmed that the self-employed workers deny to apply into the system due to their limited understanding about the social security [10]. Thus, the Social Security Office of Khon Kaen Province should continually publicize the social security rights and benefits under Article 40 to insured persons, self-employed workers and other target groups through government officers and television networking.

2) The result on the insured persons' opinion on self-insurance under Article 40 finds the agreed level on the topic of appropriate rate of contributions and value of the proposed benefits. This result conforms to the finding in the study of Wirote Na Ranong which has found

that the majority of self-employed workers have the potential to submit the monthly contribution around 50-100 Thai Baht. They are willing to pay more money at the rate of 200-300 Thai Baht if the benefit is maximized [11]. Regarding the contribution payment rate of the three methods five models according to Article 40, the result reveals that most insured persons who registered to the Social Security Office of Khon Kaen Province chose to submit their contribution payment according to method 2 model 2. This payment requires the contribution fee of 150 Thai Baht per month (100 Thai Baht submitted by the insured person while another 50 is substituted by the government) and offers benefits covering 4 circumstances including injuries/sickness benefits, invalidity benefit, death benefits, and old age pension. The other type of payment chosen is model 5 (method 2+3) which requires monthly contribution at the rate 350 Thai Baht (200 Thai Baht submitted by the insured person while another 150 is substituted by the government). This type of payment offers benefits covering 5 circumstances including injuries/sickness benefits, invalidity benefits, death benefits, old age pension, and old age security pension.

Suggestions

1. Since the insured persons under Article 40 have the average level of perception about their social security benefits; therefore the Social Security Office should continually publicize this information to enhance the understanding on this issue on the insured persons under Article 40, self-employed workers and other target groups.

2. In the future, there should be studies on the attitudes of clients towards the social security under Article 40 service. The result could possibly use for improving the service system.

Acknowledgement

I would like to express my deepest gratitude to the Social Security Office of Khon Kaen Province for granting the location to conduct the survey. Last but not least, I would like to extend my appreciation to the insured persons under Article 40 for their effort in completing the survey.

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