ABSTRACT

Since the National Health Insurance (JKN) program was implemented, health insurance coverage has increased. Based on the theory of health capital, health insurance can have both positive and negative effects on an individual's health capital. This study aims to examine the nature of the relationship between health insurance and individual health. This study uses secondary data sourced from SUSENAS 2025, with a total of 1,173,633 observations across all regions of Indonesia. Both the linear probability model and the probit model show that individuals with insurance are more likely to report health complaints. After standardization, this study found that the relationship between insurance and individual health is not the strongest. In fact, several individual and household characteristics have a stronger relationship than insurance. However, the findings cannot be interpreted as causal due to potential endogeneity.

Keywords: Health Insurance, Health Capital, Asymmetric Information, Moral Hazard

JEL classification: I10, I12, I13, C31