

# Sharp spike in individual health covers post Covid

Yogesh.Kabirdoss  
@timesgroup.com

**Chennai:** Insurance companies are witnessing a rise in the number of retail health insurance policies as the outbreak of Covid-19 has pushed the demand for individual health cover. The spike comes despite retail health premiums growing by 16.5% in the last financial year (FY22). Expansion of distribution across the country and penetration of health insurance policies, particularly in tier III towns, are also attributed for the jump in the past two years.

Leading health insurer, Star Health and Allied Insurance, has recorded a substantial increase in the number of individual health policies from 37 lakh in 2019 and to 69 lakh policies this year (2022). While its market share in group policies remained 3% in the past four years, the company's market share in retail policies rose from 26% in FY2019-20 to 33% in FY2021-22.

Anand Roy, managing director, Star Health and Allied Insurance said, Covid-19 has definitely led to a higher awareness on the need for health insurance among the general public. "During the pandemic, we saw demand for health insurance increase rapidly and many customers opted for basic health covers

## HEALTHY WEALTHY

> Star Health and Allied Insurance recorded an increase in the number of individual health policies

2019 37 lakh  
2022 69 lakh

> Health insurance Biz of Bajaj Allianz General Insurance rose from 51% in 2019 to 55% in 2022

> Cholamandalam MS General Insurance's individual health portfolio rose by 5% in four years



or Covid specific health cover to tide over the crisis," he said.

The health insurance business of Bajaj Allianz General Insurance rose by 4%, from 51% in 2019 to 55% four years down the line in 2022. Bhaskar Nerurkar, head-health administration team, Bajaj Allianz General Insurance said, expenses towards the treatment of the infection especially in-patient hospitalisation have been very expensive and hence more and more people are realising that having a health insurance coverage is essential. "Along with specific Covid-19 specific covers, a large number of inquiries came in for individual health insurance policies as well," he added.

Interestingly, The incurred claim ratio of individual policies is lower than the group health policies since pre-

existing ailments and maternity treatment are mostly covered in group policies depending on the coverage chosen by the corporate. But, individual health insurance has certain waiting period restrictions, which is subject to individual underwriting.

Cholamandalam MS General Insurance Company Ltd, whose health portfolio from individual and non-employer employee group business is about 80%, a growth by 5% in four years in the portfolio, has stepped up focus both on individual retail health and non-employer employee group attachment business in both health benefit and indemnity products. The company covers over 2.4 million lives as on July 31, 2022 under the individual and non-employer employee groups. V Suryanarayanan, managing director, Chola MS General Insurance said, "With the waning of Covid-19 infection, the tendency of policyholders not renewing the health indemnity policies is also seen."

On the other hand, Amit Ganorkar, president & chief operating officer, Tata AIG General Insurance said, it is very difficult to quantify and state Covid-19 reasoning for increase in the number of individual policies. "However, Covid-19 has advanced the purchase decision in case of individuals" he added.