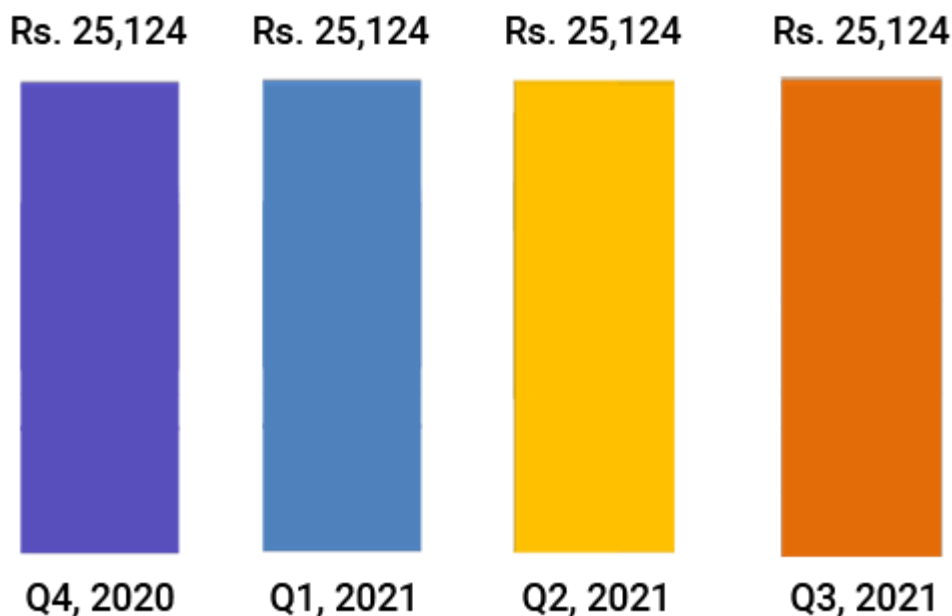




PolicyX.Com Health Insurance Price Index

**Analysis and Insights from Pricing of Health Insurance
from leading insurance companies in India.**

Comprehensive Perspective



The Health Insurance Price Index remained unchanged in Quarter 3, 2021 with INR 25,124. This same price index value has been constant since Quarter 1, 2021 showcasing no major shuffle in the health insurance prices.

There were numerous media reports suggesting an imminent hike in health insurance premium prices due to the catastrophic pandemic, however, the data seems to suggest that none of the 5 companies forming the part of the index have changed their prices.

Premium Prices Variation - Segment

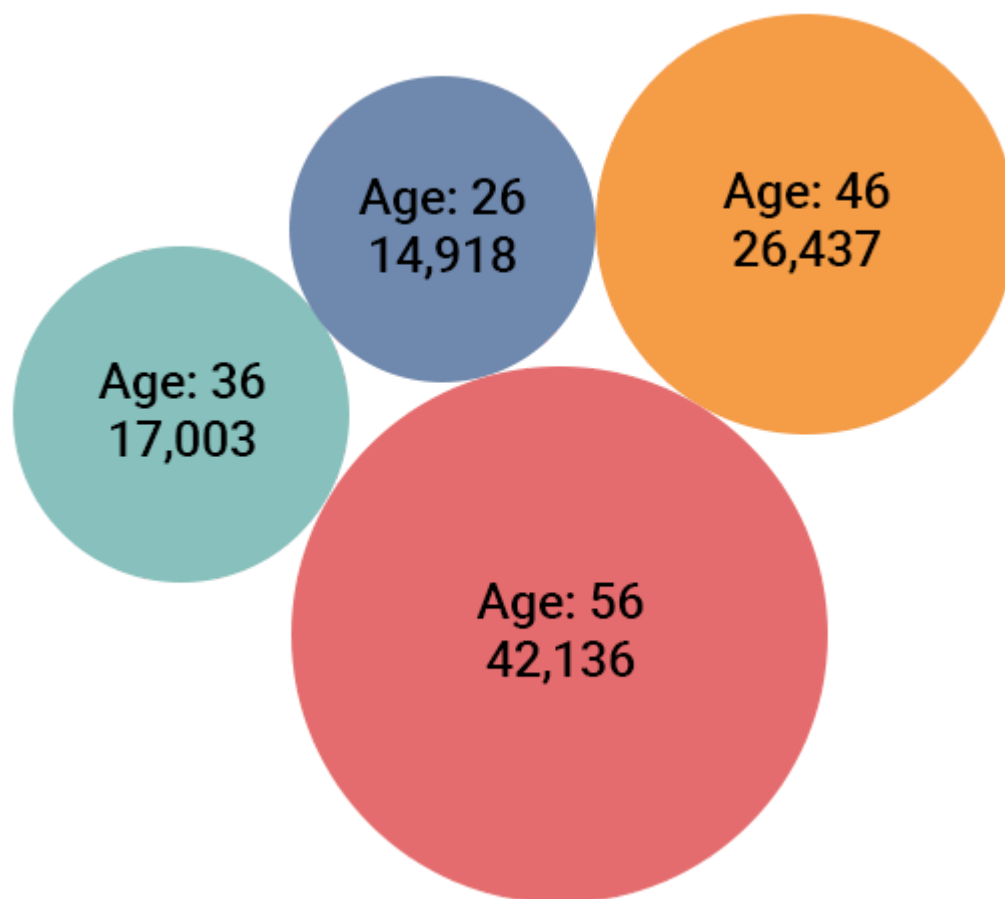
Below are the premium prices from the leading 5 health insurance companies for all categories of age groups for Q3, 2021. It showcases the average premiums paid for two different sum insured values by a 26-year-old individual to a 56-year-old individual. An average person of 36 years paid INR 12,183 premium annually for INR 10 Lakh sum insured and INR 9,519 premium annually for INR 5 Lakh sum insured.

The average payable premium by a 26-year-old across categories was INR 16,695 for INR 10 Lakh sum insured amount and INR 13,140 for an INR 5 lac Sum insured highlighting the fact that premium does not increase proportionately with sum insured. From 5 lac to 10 lac sum insured, there is a hike of only 27% in premium compared to a 100% increase in sum insured.

Age	Sum Insured	1A	2A	2A+1C	2A+2C	Average Premium
26	5L	8274	11952	14514	17819	13140
	10L	10403	15306	18616	22457	16695
36	5L	9519	13921	16530	19542	14878
	10L	12183	18096	21381	24855	19129
46	5L	14972	22866	25230	28642	22928
	10L	19567	30172	33043	37007	29947
56	5L	24850	37216	40023	44216	36576
	10L	31981	48717	52459	57630	47697
Avg Premium		16469	24781	27724	31521	25124

***Source:** Average prices in the above tabular data are determined from the leading 5 health insurance companies in India. These prices are for illustration purposes only. Actual prices may vary from insurer to insurer.

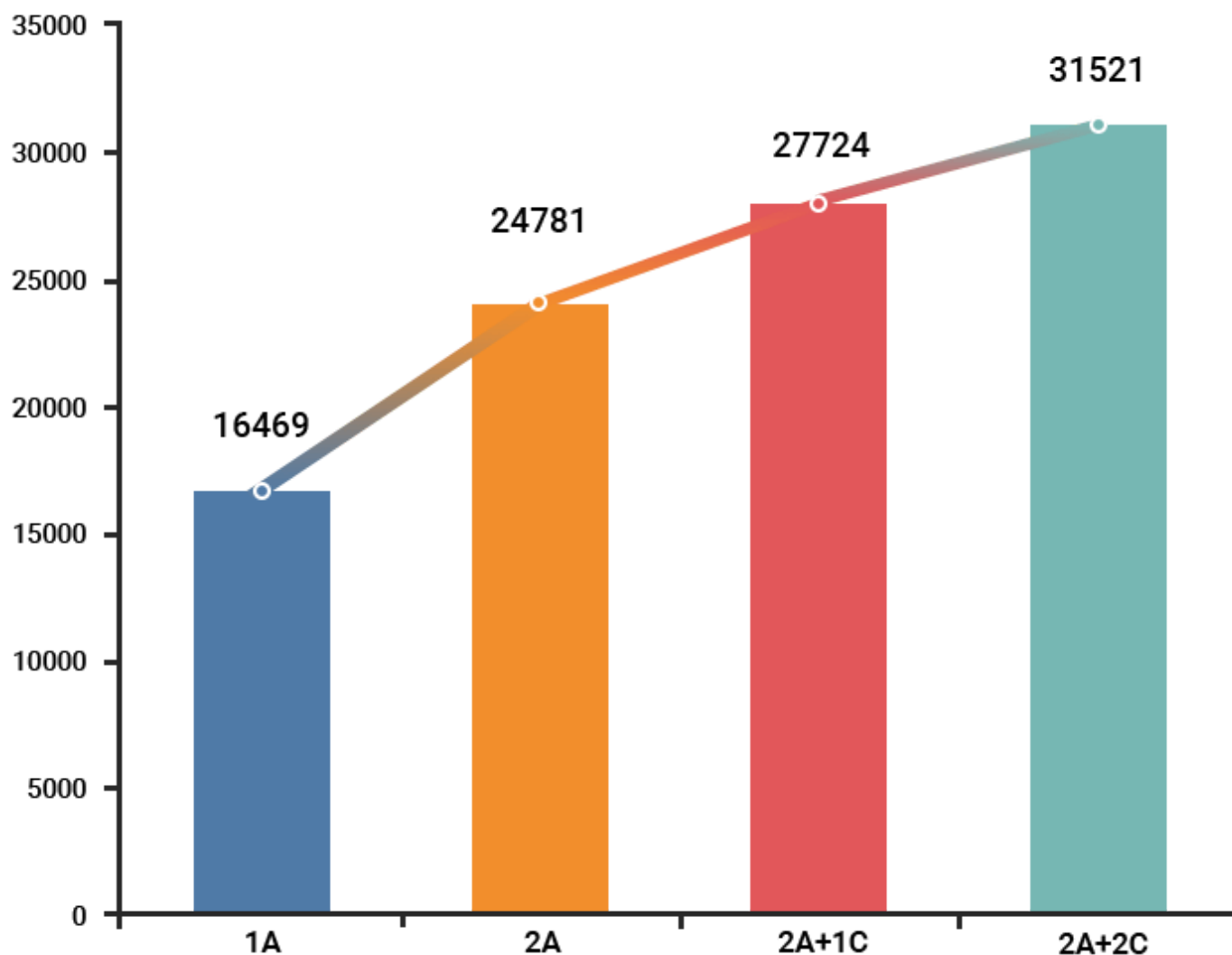
Average Premium Prices - Age



Age, being a highly dominant factor in deciding the premium prices of the Health Insurance, drew no considerable change in the last Quarter and remained equivalent to Quarter 2, 2021.

The average premium payable by an age group of the 26-year-old category was INR 14,918, by an age group of the 36-year-old category was INR 17,003, by an age group of 60-year-old category was INR 26,437 and by an age group of the 56-year-old category was INR 42,136.

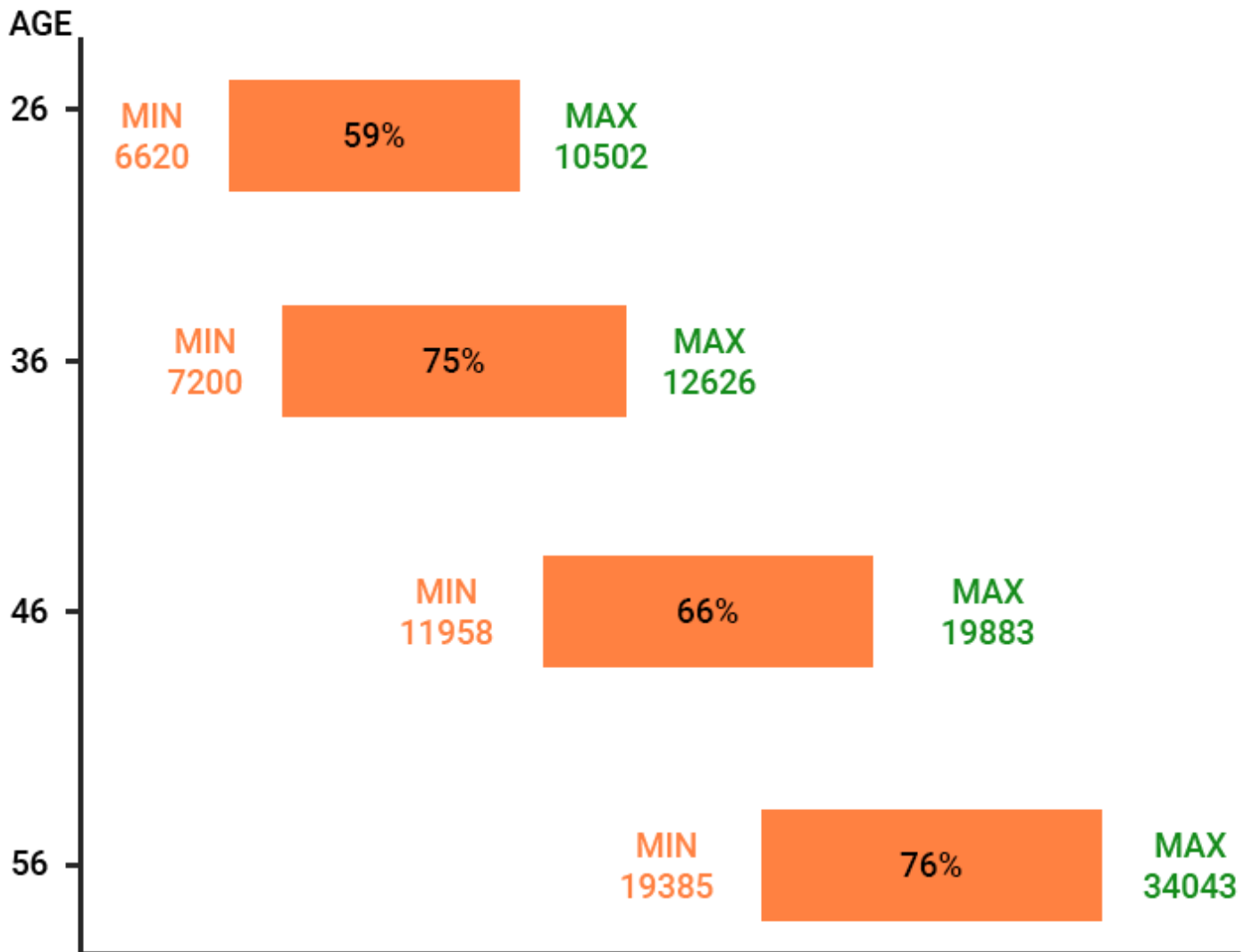
Premium Prices- Coverage



According to the basics of Health Insurance, the premium rises with the number of members included in a single plan. Nonetheless, Quarter 3, 2021 observed no change in the different coverage available in the market. The below chart highlights the fact that adding members to the family floater policy does not increase the premium proportionately. In fact, there is an increase of premium of 50% on an average on adding 1 more adult of the same age or lower age in the same policy. The increase is meager (11.9% and 13.7% on adding 1st child and 2nd child respectively) on adding children to the policy.

As shown in the graph, there is a negotiable increase in the premium upon adding children to the policy. Most companies allow children up to the age of 18 or 21 to be added to the policies in a family floater plan.

Premium Variance



Of the 5 companies, forming the index, the variance observed in premiums among the health companies is quite high as compared to variance observed in term insurance companies. This is primarily because of the fact that coverages, features, and benefits differ significantly for health insurance whereas term insurance is usually simple with similar benefits in case of death.

Note: The New Insurance India company has been excluded from the comparison due to the unavailability of data. Due to this, the previous index values would have changed to account for an accurate comparison of pricing trends.

Index Computation Methodology

The prices & charts displayed above are based on the average premium prices of 5 health insurance companies in India. We have selected five private health insurance companies in terms of their GWP earned as per the IRDAI annual report 2019-20 (Star Health and Allied Insurance Co. Ltd, ICICI Lombard General Insurance Co. Ltd, Bajaj Allianz General Insurance Co. Ltd, HDFC ERGO General Insurance Co. Ltd & Religare Health Insurance Co. Ltd.)

The prices represent the annual premium for each sample customer pertaining to age, coverage type & sum insured in Q3, 2021 (July'21 - September'21). The Insurer's individual rate may vary depending on age, coverage type, health profile, sum insured & add-on riders.

Want more information about the price index?



Got a press query? Contact our press team, they'll be happy to help with any questions you may have regarding the latest price index.

For Feedback and suggestion: helpdesk@policyx.com