

Star Health new policy demand up 50 per cent post GST cut

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Chennai-based Star Health Insurance has seen a strong surge in demand post the removal of Goods and Service Tax (GST) for health insurance in September last year.

The standalone health insurance provider has seen a 50 per cent growth in new customer demand since October of last year, according to Anand Roy, MD & CEO, Star Health Insurance Company Ltd.

Beyond the growth in new customers, the benefits have also impacted existing customers with renewal retention having improved from 86 per cent to 88 per cent in the same period. Roy added that customers are utilising the benefits for higher coverage instead of reducing premiums and that the average new policy sum insured rose 25 per cent from ₹9 lakh



Anand Roy, MD and CEO, Star Health Insurance Company

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to ₹11 lakh. "By bringing the GST to zero, the government is now equating health insurance to essential goods," he said. In terms of business growth, Roy said Star Health Insurance's revenue for this fiscal (FY26) stood at about ₹17,800 crore as of January of 2026 and that the company is confident of reaching its ₹20,000 crore target for FY26. Looking ahead, it expects a topline of ₹30,000 crore by FY28.

The company's focus is on increasing insurance penetration and securing new-to-insurance customers, especially in Tier 2 and Tier 3 geographies. Over 90 per cent of its customers are first-time buyers with customer switching not part of the strategy, Roy said.

PRICING POLICIES

As for the pricing of policies, he said that around 65 per cent of the company's products saw price hikes last year owing to healthcare inflation. Roy was speaking at the launch of Arogya Seva Kendras (ASK), free-of-cost primary healthcare centres as part of its CSR initiative.

The ASK clinics, being implemented in partnership with Piramal Swasthya, will help in the screening non-communicable diseases and providing medicines for an expected 10 lakh beneficiaries in 32 centres across nine States.