

Demand for new health policies rises 50% after GST rate cut

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Chennai: Star Health and Allied Insurance Company has witnessed a 50% jump in demand for new health insurance



ce policies post-GST rate cut, its MD & CEO **Anand Roy** said. Subsequently, the average sum insured coverage for new policies has also increased by rupees two lakh.

"There is at least a 50% improvement in growth and in terms of demand from the market. Demand from new customers, who are buying policies, has gone up by almost 50% for the industry. Our renewal retention has increased by more than 2%. Many of them are going for higher coverage because if somebody had paid Rs 20,000 as a premium last year, their premium is Rs 17,000 due to the 18% GST waiver. They are still willing to pay Rs 20,000, but going for a higher coverage," he told reporters after launching 32 Arogya Seva Kendra's (ASK) across nine states under its CSR programme on Monday. The facility will provide structured primary care services free of cost to the patients.

Noting that the average sum insured coverage for new policies went up by 25% post GST waiver, he said, it increased from around Rs 9 lakh to Rs 11 lakh. "This year, we expect to do around Rs 20,000 crore in business in terms of revenue, covering more than two and a half crore lives across the country in the retail segment. Almost 95% of our business is in retail," Roy said. The company's gross written premium (GWP) stood at Rs 17,800 crore as of Jan, 2026, he added.