INDEPENDENT MARKET ASSESSMENT OF HEALTH BENEFITS ADMINISTRATORS IN INDIAN HEALTH INSURANCE INDUSTRY

Disclaimer

The market research process for this study has been undertaken through secondary/desktop research and primary research, which involves discussing the market status with leading participants and experts.

The research methodology used is the Expert Opinion Methodology. Quantitative market information was sourced from interviews by way of primary research as well as from trusted portals. Therefore, information fluctuates due to possible business and market climate changes. Frost & Sullivan's estimates and assumptions are based on varying quantitative and qualitative analyses, including industry journals, company reports, and information in the public domain.

The data has been collated from publicly available sources such as the Insurance Regulatory and Development Authority (IRDA) annual reports, public disclosure data from insurers and TPAs, and the Ministry of Corporate Affairs (MCA) database.

Forecasts, estimates, predictions, and other forward-looking statements in this report are inherently uncertain because of changes in factors underlying their assumptions or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from forecasts, estimates, predictions, or such statements. All financials for Medi Assist Healthcare Services are for continuing operations.

All references to Medi Assist refer to Medi Assist Healthcare Services on a consolidated basis. The report uses the terms third-party administrator (TPA) and health benefits administrator/benefits administrator interchangeably. The terms' group' and 'corporate' are used interchangeably in the report and refer to health insurance policies availed by employers to benefit their employees.

Frost & Sullivan has prepared this study independently and objectively and has taken adequate care to ensure its accuracy and completeness. We believe this study presents a true and fair view of the Health Benefits Administration and Health Management Services Market in India within the limitations of, among others, secondary statistics and primary research. It does not purport to be exhaustive. Our research has been conducted from an "overall industry" perspective and will not necessarily reflect the performance of individual companies in the industry. Frost & Sullivan shall not be liable for any loss suffered because of reliance on the information contained in this study. This study should also not be considered a recommendation to buy or not to buy the shares of any company or companies as mentioned in it or otherwise.

1 CONTENT

ASSUMPTION & NOTES

- There may be marginal differences in data points captured from different databases owing to conversion between the calendar year and financial year and currency conversion rates.
- The growth rates may differ depending on the evaluation currency for the same data metric. For instance, growth rates for data metrics measured in INR/ NCU are higher than when measured in USD. While several data points are covered in INR/ NCU, USD conversion has been included for a fair comparison with other economies.
- In some cases, the historical and projected growth rates appear disjointed since the base years are COVID-19 years and witnessed deviation in general trends. Similarly, there has been an overhaul in some trends leading to a high variation in growth rates since the pandemic.
- Market share is based on disclosed data only.
- Unless otherwise mentioned, the base year for data is CY 2021/FY 2022. CY 2022/FY 2023 data is estimated, and CY 2023- 2027/FY 2024-2028 data is forecasted.
    a. Unless specifically mentioned, the data is assumed to be for the calendar year (CY)

1 MACROECONOMIC OVERVIEW

1.1 INTRODUCTION TO THE INDIAN ECONOMY

A dynamic and diverse economy that has demonstrated resilience and potential for growth even during the pandemic.

The Indian economy is the fifth largest in the world, with a Gross Domestic Product (GDP) of USD 3.4 trillion in FY 2022. It is expected to emerge as the fastest-growing major economy, with a growth rate of 8.67% over FY 2022-2028, outpacing the global growth of 5.01% during the same period.

Exhibit 1.1: India's GDP at Current Prices, FY 2017-2028

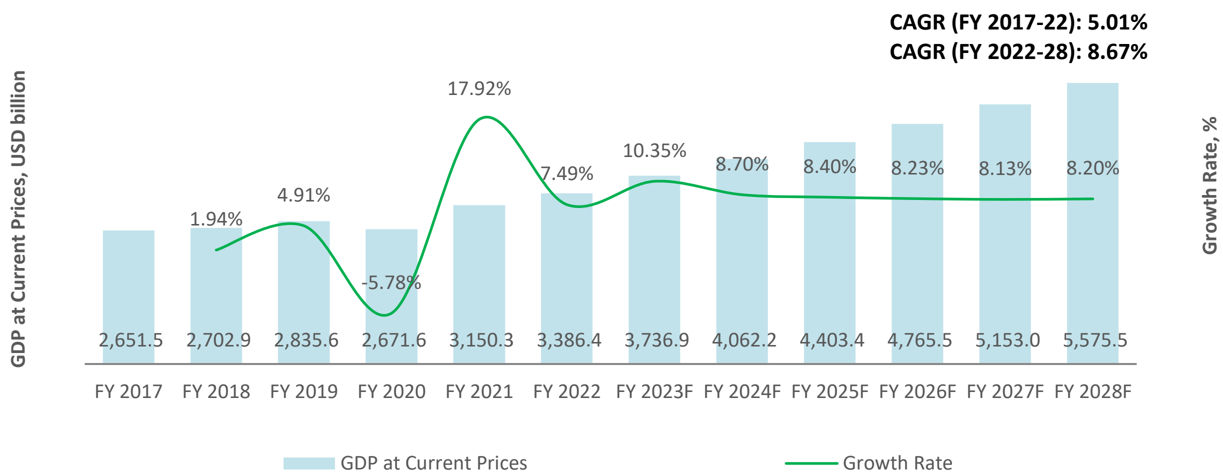
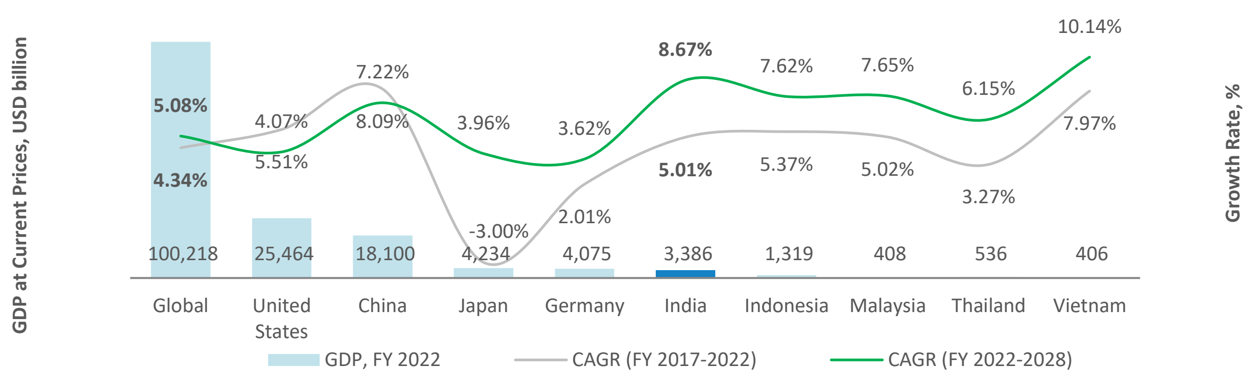


Exhibit 1.2: Growth Rate in GDP at Current Prices of Select Countries, FY 2017-2028



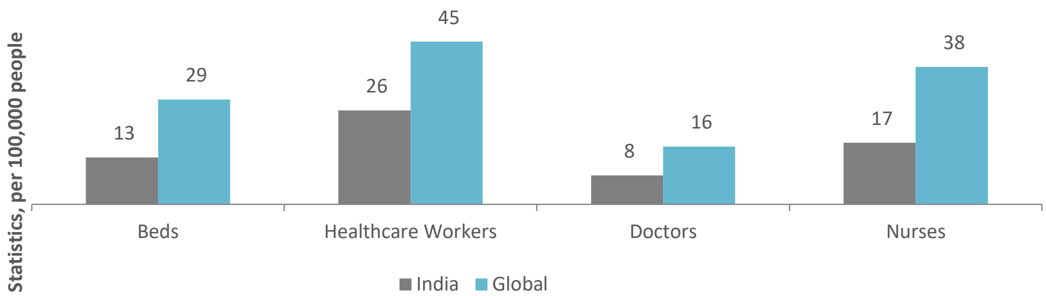
Source: World Economic Outlook- April 2023, International Monetary Fund Estimate, Frost & Sullivan
Note: "GDP corresponding to fiscal year, current prices" is the country's GDP based on the same period during the year as their fiscal data. In the case of countries whose fiscal data are based on a fiscal calendar (e.g., July to June), this series would be the country's GDP over that same period. For countries whose fiscal data are based on a calendar year (i.e., January to December), this series will be the same as "Gross domestic product, current prices." The current representation in charts is as per India's fiscal year.

2 INDIA'S HEALTHCARE SECTOR

2.1 CHARACTERISTICS AND KEY TRENDS OF THE INDIAN HEALTHCARE SECTOR

Inadequate healthcare infrastructure and resources with stark urban-rural divide: India's healthcare infrastructure still needs significant improvement to meet the healthcare needs of its population. For example, according to the 2021 NITI Aayog report, India had 1.3 hospital beds per 1,000 population vis-à-vis WHO guideline of 3 beds. Further, the density of beds is still low in rural areas, with only 28-30% of total beds[1]. Only ~13% of the people in rural India (65% of the total population) have access to primary healthcare.

Exhibit 2.1: India's Healthcare Infrastructure Compared to Global Average: FY 2020- 2021



Source: NITI AYOG, World Bank Data, Frost & Sullivan
Note: India data for the fiscal year

Growing disease burden putting pressure on healthcare infrastructure & household expenditure: India's share of the middle-aged and aged population (45+ years) increased from ~19% in 2001 to ~25% in 2020. According to a report published by Akhtar et al. on "Chronic diseases and productivity loss among middle-aged and elderly in India," this population has the highest risk of experiencing non-communicable diseases (NCDs). The median age of NCD onset moved from 57 to 53 years between 2004 and 2018. As the early onset of chronic diseases requires long-term treatments and is mostly outpatient driven, there has been an increase in the household income spent on healthcare as Out of Pocket (OOP) expenditure. The growth of the middle class and the disease burden has increased the need for health insurance to support this population.

2.2 HEALTHCARE EXPENDITURE IN INDIA

2.2.1 OOP AND GROWING HEALTHCARE EXPENDITURE

High out-of-pocket expenditure continues to impose a financial burden on individuals.

India's OOP share is very high (50.59% in FY2021) amongst the other healthcare funding schemes available in the country. The OOP is comparatively higher than its Asian counterparts, which rely on OOP for ~30-35% of the expenditure, and substantially higher than the WHO recommendation of 15-20%[2]. High OOP creates immense pressure on household income, further strengthening the case for increasing insurers' share in the financing schemes. The government has set itself a target of spending 2.5% of GDP on healthcare by 2025. It, coupled with the penetration of private insurers, is expected to reduce the OOP

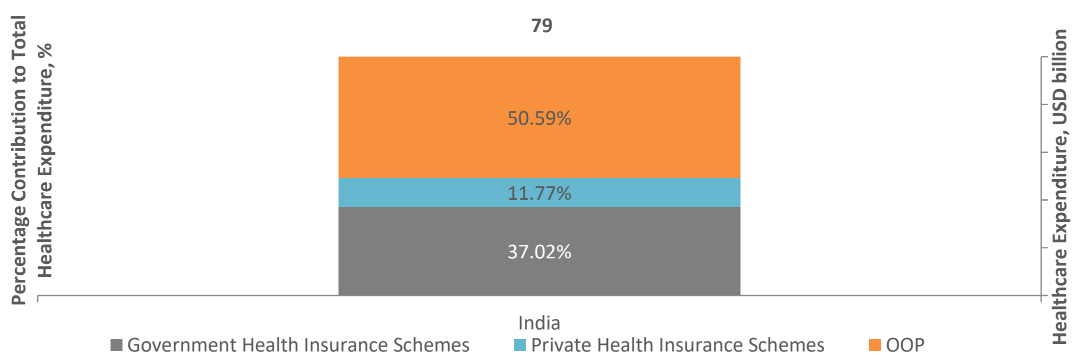
[1] Study on the Not-for-Profit Hospital Model in India: NITI Ayog
[2] WHO Report

dependency in India. Both private insurance and voluntary insurance schemes are deemed crucial for OOP dependency reduction in India.

Even in countries like China, where ~95% of universal health coverage (UHC) was achieved as of 2022, voluntary insurance schemes are critical to reducing OOP. The current UHC schemes have co-payments for inpatient care as high as 25-35%.

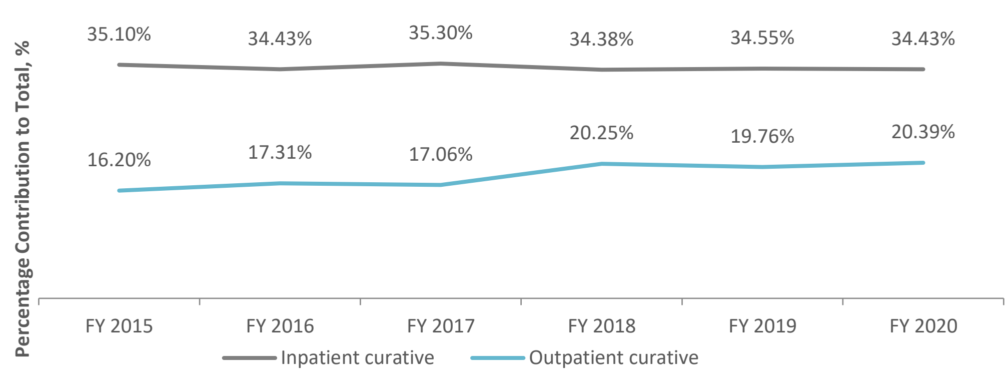
Thus, on account of a high proportion of out-of-pocket (OOP) in India and limitations on the government's ability to provide adequate coverage to the Indian population, the demand for private insurance in India is expected to grow.

Exhibit 2.2: India's CHE by Financing Scheme : FY 2021



Source: WHO NHA Database, Frost & Sullivan
Note: Government Health Insurance schemes include social insurance schemes like ESIC, CGHS, and ECHS and Government-based voluntary insurance schemes like PM-JAY, state-specific government health insurance schemes, etc. Private insurance includes voluntary health insurance; Other unclassified schemes account for a very small proportion and are excluded from the exhibit; therefore, the numbers do not add to 100%.
CHE data is based on the same period during the year as a country's fiscal data. In the case of countries whose fiscal data are based on a fiscal calendar (e.g., July to June), this series would be the country's CHE over that same period. The current representation in charts is as per India's fiscal year.

Exhibit 2.3: India's CHE by Healthcare Function: FY 2015-2020



Source: National Health Accounts Report 2019-20, MOH&FW, Frost & Sullivan
Note: Outpatient includes at-home care as well as day curative care; the rest of the healthcare functions comprises prescribed medicines, preventive care, Lab & imaging, patient transport, governance & admin, etc.

With the advent of technology for early screening and enhanced diagnosis, disease management is improving. There has been a growth in day procedures to support quicker rehabilitation with increased outpatient CHE. India's care delivery ecosystem has evolved post-COVID-19 with an increase in teleconsultation and the growth of at-home healthcare services.

These growth trends increase the OOP expenditure on healthcare for households, thus increasing the need for voluntary insurance coverage to support health management and reducing household health expenditure.

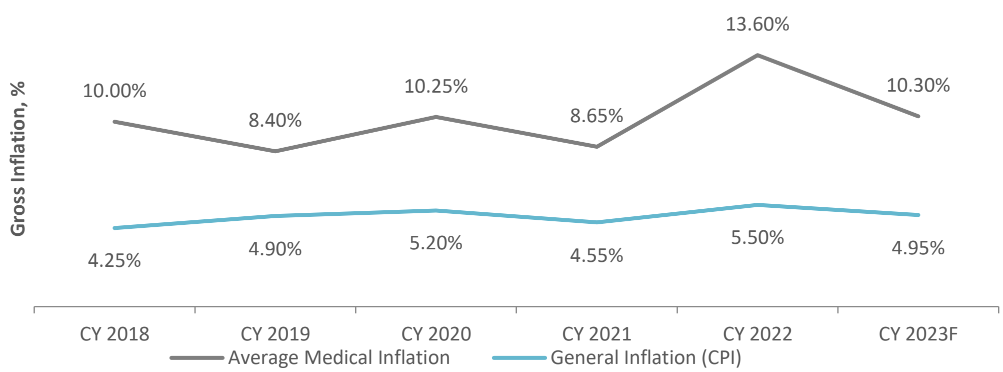
2.3 BURDEN OF MEDICAL INFLATION IN INDIA

Medical inflation is almost double the general inflation rate making healthcare OOP a huge burden to households with elderly and diseased.

The cost of healthcare goods and services, also known as medical inflation, has increased in India. A recent report by Aon Hewitt & WTW showed that medical inflation in India rose from 8.65% in 2021 to 13.60% in 2022, while average medical inflation in China and Vietnam was ~7.0% and that in Malaysia and Indonesia was ~12% in 2022.

Medical inflation in India is almost double the general inflation rate (CPI) of 5-6% in 2022. The report also projected that medical inflation in India will continue to rise, with a predicted increase of 10.30% in 2023. The medical inflation growth CAGR between CY 2021 and 2023 is estimated to be 11.94%. To cope with these rising costs, Indians seek insurance coverage. Interestingly, in recent times there is a growing dependence on insurance, top-up policies, riders, and other innovative products to control medical inflation by introducing efficient models for managing healthcare consumption and reimbursement.

Exhibit 2.4: India's Medical Inflation Trends: CY 2018-2023



Source: Global Medical Trend Rates Study – Aon Hewitt Global Benefits, Willis Towers Watson Survey

Note: The medical inflation has been calculated by taking average for annual values from Aon Hewitt and Willis Towers Watson surveys and general inflation from Aon Hewitt; 2023 data is forecasted

2.4 DIGITAL TRANSFORMATION IN THE HEALTHCARE SEGMENT

Growing acknowledgment from the government as well as private players to embed digital platforms in the healthcare ecosystem to bridge not only existing resource, access, and affordability gaps but also improve the quality of health services and stakeholder experience, creating a new foundation for the insurance sector.

Digi Locker: DigiLocker is a cloud-based platform launched by the Government of India in 2015 (under its Digital India initiative) to enable Indian citizens to store and access their digital documents (e.g., Adhaar card, insurance policies) from a single centralized location. In addition to giving any time, anywhere access, the platform allows users to digitally sign documents, making it easier to authenticate and share them with providers and insurers.

Health Wallet: A health wallet allows individuals to store and manage their health information, such as medical records, prescriptions, and insurance details, in a secure and easily accessible digital format. It will give patients greater control over their data and allow them to access any healthcare service from anywhere.

Ayushman Bharat Health Accounts (ABHA): The Ayushman Bharat Digital mission (ABDM) has introduced ABHA, a Personal health records (PHR) application for patients to maintain and manage their health records. As of June 2023, 407,605,936 ABHA had been created. The penetration of ABHA drives health data generation for population health management, amongst many others.

Bima Sugam: Insurance Regulatory and Development Authority of India (IRDAI) has planned to digitize the health insurance industry by developing an online marketplace to support health insurance purchase and claims management. Bima Sugam is the one-stop shop health exchange platform where all related queries, policy purchase, claim settlement, and insurance advice is addressed effectively. Web aggregators, brokers, insurance agents, bank agents, etc., would play the role of facilitators on the platform servicing the policyholders effectively. It is likely to enhance quality and drive standardization and efficiencies of scale.

With health and claims data available for the population, the health insurance industry can grow by leaps and bounds. Digitization and health data availability can drive the ability of the health insurance industry to customize insurance schemes to patient populations, reduce premiums, and reduce health insurance fraud.

Digital transformation is the key step towards achieving "Insurance for all" by 2047, where every citizen has appropriate life and health insurance coverage and appropriate insurance solutions support every enterprise.

3 INDIA'S HEALTH INSURANCE SECTOR

With maturing health insurance market and increasing insurance penetration as a solution for health financing, India's health insurance sector is assuming a critical role in reducing OOP as well as reducing total incurred expenditure while meeting healthcare needs.

3.1 HISTORY OF THE HEALTH INSURANCE SECTOR IN INDIA

Health insurance is an emerging service sector in India with a relatively short history compared to other countries.

Traditionally, the public insurance system was India's major healthcare coverage provider. It was largely possible because of free or highly subsidized healthcare services and coverage of select groups through government schemes. However, with the population expansion and budgetary shortfalls, the public healthcare system needed help to adequately service the burgeoning healthcare demands, which gave way to the rise of the private sector. While this increased the supply of healthcare facilities, availability of doctors, and public awareness of healthcare issues, it also increased the cost of healthcare and, thus, the need for insurance coverage. It is evidenced by the increasing insurance penetration in the country, which has jumped from 0.18% to 0.33% between FY 2017 and FY 2022.

Table 3.1: Key Milestones in Health Insurance Industry, India, 1912- 2023

Year	Key Milestones in History
1912	The Health Insurance Act passed
1999	The sector opened to private and foreign participants; the IRDAI Act passed.
2001	TPA introduced by IRDAI
2003	Introduction of UHIS- govt's attempt to introduce health insurance for the informal sector
2007	Detariffication of insurance
2016	Barring life insurance firms from offering indemnity-based health products either to individuals or as a group policy
2019	Ongoing implementation of AB-PMJAY
2020	Aarogya Sanjeevani for basic hospitalization coverage; 100% FDI in the insurance intermediary sector
2023	Bima Sugam, the online marketplace for insurance likely to be launched

Source: IRDAI, Frost & Sullivan

3.2 KEY STAKEHOLDERS IN THE INDIAN HEALTH INSURANCE SECTOR

The value chain is expanding with an increasing number of stakeholders, instigated by regulatory changes, technology transformation, and growing complexity.

There are several key stakeholders in the healthcare insurance industry in India, including but not limited to:

Table 3.2: Participants in Health Insurance Industry, India, 2023

Health Insurance Industry in India – Key Participants	
Insurers	Insurance companies including Private and Public and private sector companies.
Sponsors	Government, Employers, Affinity Groups, and Individual Policy holder
Intermediaries	TPAs, Brokers, Agents, Online Aggregators
Healthcare Providers	Hospitals, Clinics, Diagnostic Centers, Nursing Homes, and Wellness Centers
Beneficiaries/ Members	Employees, Group Members, Individuals, Family members
Tech Players	Insurtechs, SaaS providers, Healthtech Aggregators

Source: Frost & Sullivan

3.3 TYPES OF HEALTH INSURANCE POLICIES IN INDIA

Various health insurance policies available in India can be broadly classified based on sponsor or policy coverage.

Table 3.3: Types of Insurance Policies, India

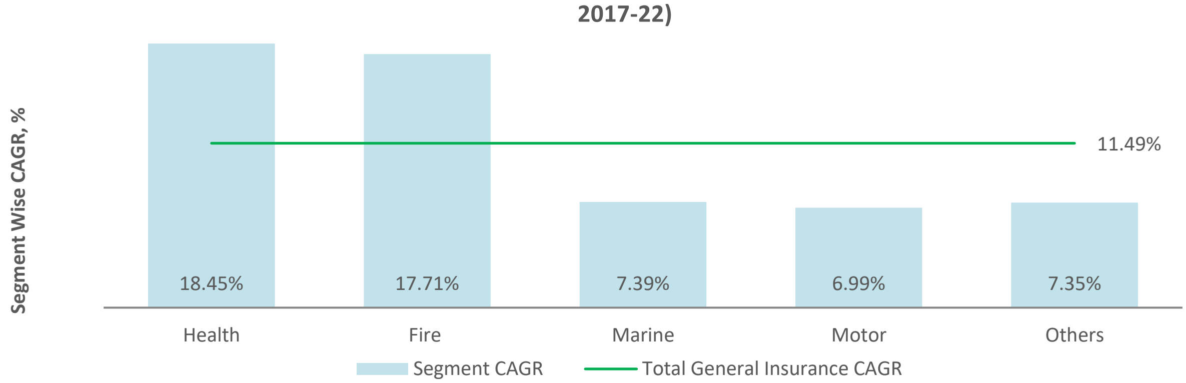
Types of Insurance Policies Based on Sponsor	
Government Schemes	The central and state governments operate these schemes. Over the last five years, such government-sponsored schemes have significantly increased the country's population covered by health insurance. Some of these schemes are: o Pradhan Mantri Jan Arogya Yojana (PM-JAY) - Launched in 2018, PM-Jay is the largest health insurance scheme in the world. It provides health insurance coverage of Rs. 5 lakhs per family per year for secondary and tertiary care hospitalization for around 50 crore beneficiaries. o Employment State Insurance Scheme (ESIS): It is a state government-operated social security system to extend insurance coverage to the working population and their dependents. o Central Government Health Scheme (CGHS): It provides comprehensive healthcare coverage, including access to facilities and resources for central government employees, pensioners, and their dependents residing in CGHS-covered cities.
Group Health Benefit Policies	A group health insurance plan provides healthcare coverage to a select group. Employers usually offer it to their employees and their dependents. These plans usually cost less than retail insurance plans because the risk is spread over the entire group rather than one person.
Retail Policies	Individuals purchase these health insurance plans to cover themselves and/or family members. It is more customizable than a group policy but typically costs higher.
Critical Illness Rider	Critical illness riders are additional coverage offered by life insurance companies and cover life-threatening illnesses such as cancer, kidney failure, heart ailments, etc.
Personal Accident Cover	These plans cover medical treatment, accidental death, or disability caused due to accidents in the country.

Source: Frost & Sullivan

3.4 KEY STATISTICS IN THE INDIAN HEALTH INSURANCE INDUSTRY

Health has the largest share and is the fastest-growing insurance segment in the general/ non-life category, with a high headroom for future growth largely driven by group policies and private insurance[3] sector growth.

Exhibit 3.1: India's General Insurance Segment-wise Gross Premium Within India, CAGR (FY 2017-22)



Source: IRDAI; Frost & Sullivan

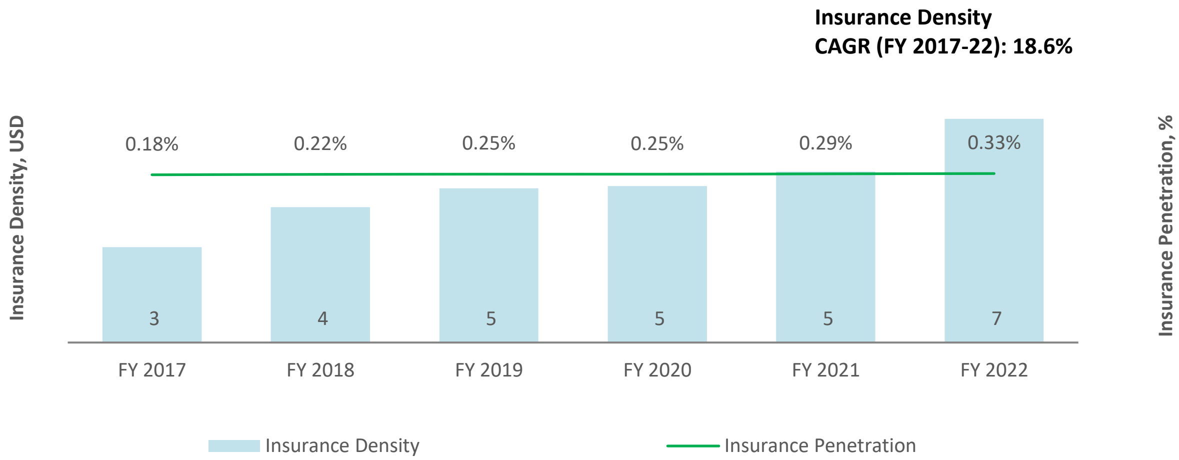
[3] Private insurance includes general insurers and private sector SAHI.

3.4.1.1 HEALTH INSURANCE PENETRATION AND DENSITY

31% jump in insurance penetration post-COVID; significant jump in insurance penetration in group policies during the pandemic

Insurance penetration and density in India for health insurance have increased in recent years. This increase in health insurance penetration and density can be attributed to several factors, including rising healthcare costs, increasing awareness about the need for health insurance, and the introduction of government-sponsored health insurance schemes such as Ayushman Bharat, which provides health insurance coverage to economically vulnerable families.

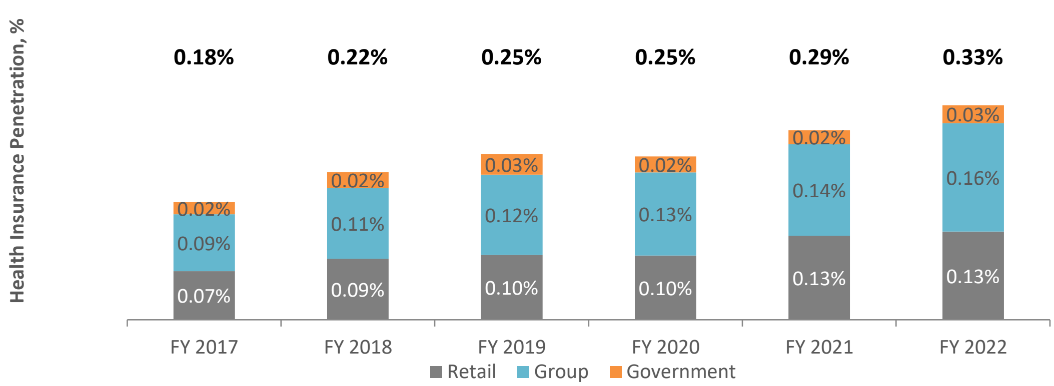
Exhibit 3.2: India's Health Insurance Penetration and Density, FY 2017-2022



Source: IRDAI; Frost & Sullivan

Note: Insurance Penetration = Gross Premium/ GDP; Insurance Density = Gross Premium/ Population; includes group, retail, and government schemes

Exhibit 3.3: Health Insurance Penetration by Scheme Type: FY 2017-22



Source: IRDAI; Frost & Sullivan

Insurance Penetration = Gross Premium/ GDP; Insurance Density = Gross Premium/ Population

3.4.1.2 NUMBER OF LIVES COVERED UNDER HEALTH INSURANCE

37% of lives are covered under health insurance schemes in India; government policies cover the largest number of lives, but the highest growth is in group policies.

Only 15.20% of the population in FY 2022 was covered under private health insurance (36.97% inclusive of government schemes), resulting in high out-of-pocket expenditure for most of the population. Private health insurance penetration is expected to reach 33.36% in FY 2028, driven by increased corporate employment, higher awareness of the need for insurance, and better insurance distribution.

Exhibit 3.4: Proportion of Lives Covered under Health Insurance in India, FY 2017-2028

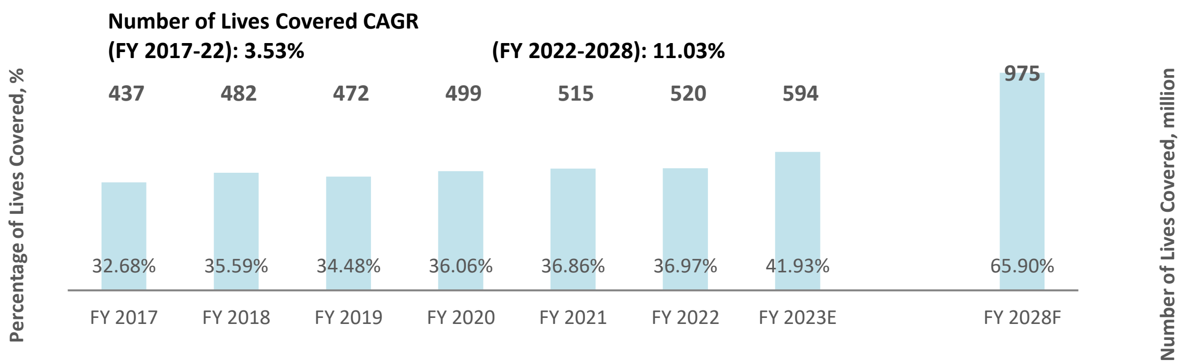
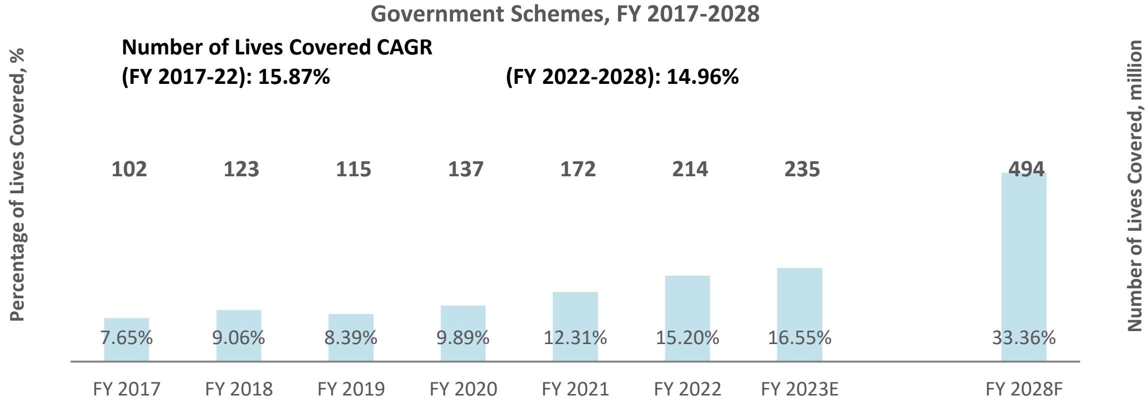


Exhibit 3.5: Proportion of Lives Covered under Health Insurance in India Excluding Government Schemes, FY 2017-2028



Source: IRDAI; Frost & Sullivan

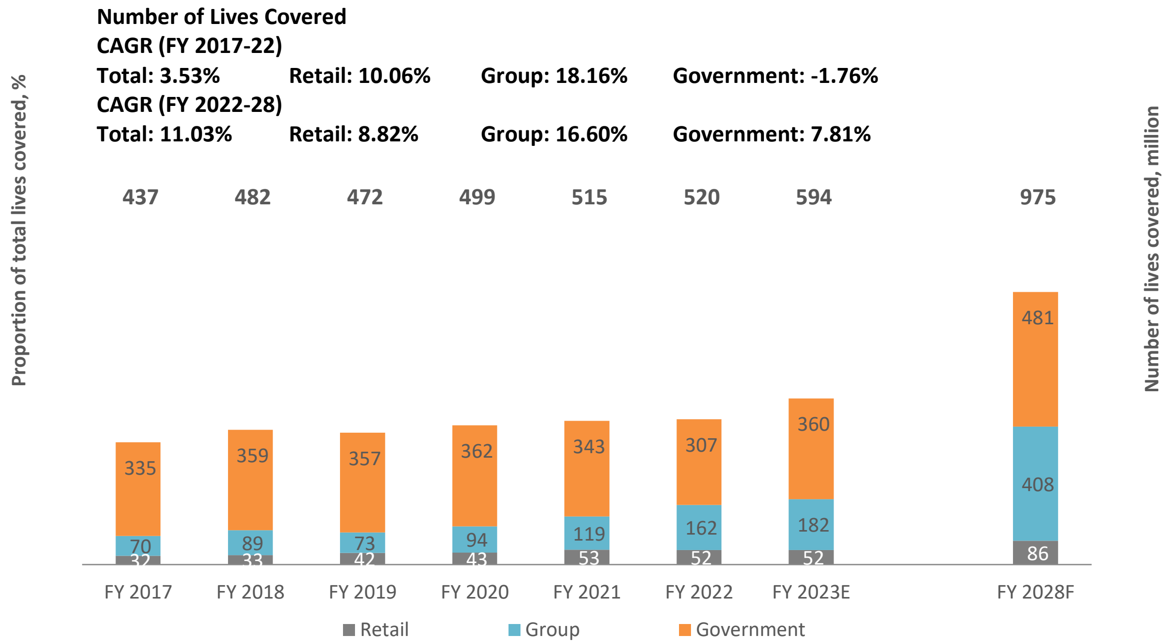
Note: An individual can hold more than one policy. The percentage of the lives covered is the ratio of the total number of policies covered to the country's total population, which is forecasted to be 65.9% in FY 2028.

Driven by COVID-19 and growing awareness, the number of lives covered under health insurance is expected to grow at almost triple the pace at 11.03% over FY 2023-28 vis-à-vis growth in the past 5 fiscal years at 3.53%.

Employer group policies largely drove the increase in lives covered in recent years as more and more companies became employee-centric and started offering group health plans and various health and wellness benefits. The segment contributed 18.16% (CAGR) growth between FY 2017 and FY 2022. In line with recent trends, this segment, in terms of lives, will continue to be the fastest growing, with a forecasted CAGR of 16.60% between FY 2022 and FY 2028. The government policies covered nearly 59% of the lives covered in FY 2022, largely driven by initiatives by various states and central governments to cover vulnerable families. Despite short-term fluctuations, government policies are expected to account for ~50% of the covered lives in FY 2028.

The retail sector accounted for nearly 10% of lives covered in FY 2022; however, growing at a CAGR of 8.82% between FY 2022 and FY 2028, the segment is expected to lose its share to government and group schemes as the employed population seeks group coverage and the economically vulnerable get covered by government schemes.

Exhibit 3.6: Number of Lives Covered under Health Insurance in India, FY 2017-2028

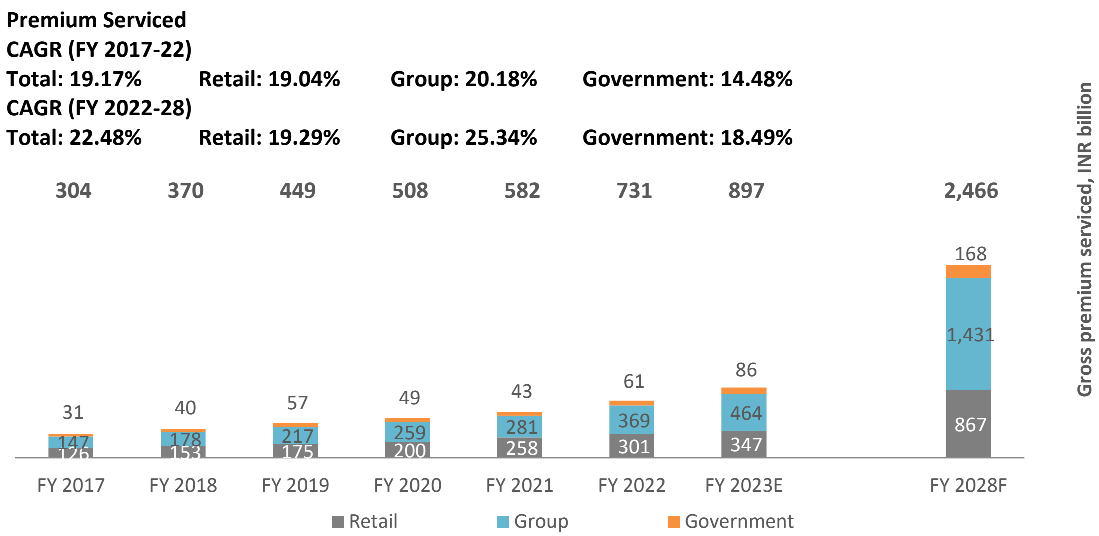


Source: IRDAI; Frost & Sullivan

3.4.1.3 PREMIUM SERVICED UNDER HEALTH INSURANCE

19.17% growth in premium serviced in the last five fiscals; significant inflation in the premium across all policies since COVID-19; total premium serviced remains highest for group policies by public sector companies.

Exhibit 3.7: Gross Premium Serviced under Health Insurance in India, FY 2017-2028

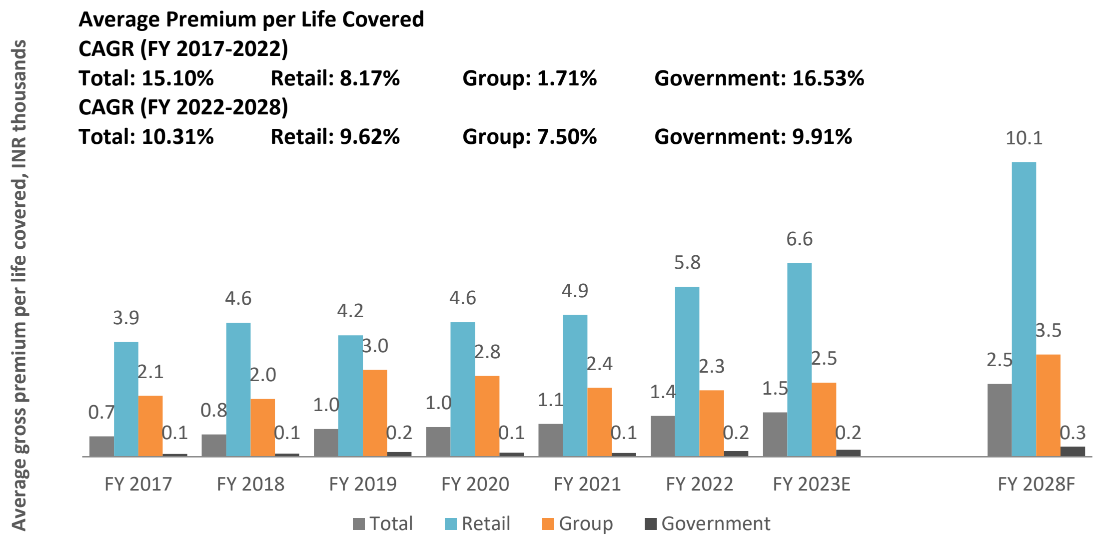


Source: IRDAI; Frost & Sullivan

Some of the main drivers for growth in India's premium serviced under health insurance are:

- The increased uptake of group and retail policies linked to increased awareness of health coverage benefits,
- The increased reach of insurance companies in various cities (distribution network extension to tier 2 and tier 3 cities), increased penetration of web aggregators in selling health insurance policies,
- Government's impetus for universal health coverage with a focus on 100% insurance for all by 2047 and the launch of additional schemes by the state and the central government,
- The government's various initiatives, such as the introduction of the GIFT city, a proposal for composite licenses for life insurers to sell health products, and approval of licenses for new insurers (20 under consideration and 3 already granted as of May 2023), expanding the insurance ecosystem, development of efforts to create insurance marketplace like Bima Sugam.
- The increase in insurance premiums per person can be attributed to factors such as the rising cost of healthcare services (medical inflation of 10-14%), increased claims, changes in regulatory norms, and COVID-19 pandemic-led pricing & underwriting strategy changes within companies.

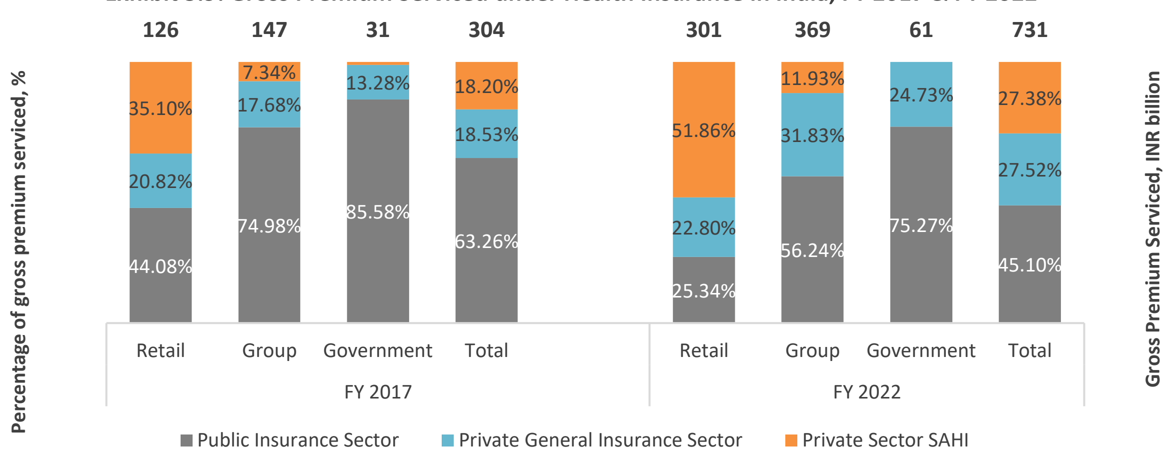
Exhibit 3.8: Gross Premium per Life Covered, FY 2017-2028



Source: IRDAI; Frost & Sullivan

- Growth is also driven by the private sector, including private general insurers and private sector SAHI. Public sector insurers accounted for the majority of premiums serviced in FY 2017 but lost their share to private general insurers and the private sector SAHI sector by FY 2022. Both sectors witnessed a CAGR of ~29% during this period, with their shares reaching nearly 27% each.

Exhibit 3.9: Gross Premium Serviced under Health Insurance in India, FY 2017 & FY 2022



Source: IRDAI; Frost & Sullivan

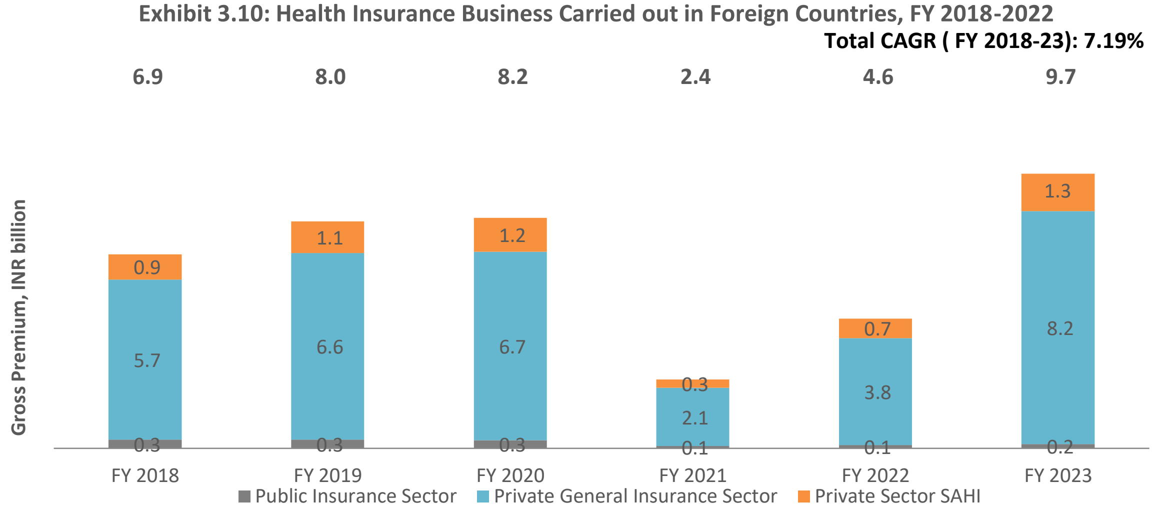
3.4.1.4 INDIAN INSURERS PARTICIPATING IN INTERNATIONAL PRIVATE MEDICAL INSURANCE (IPMI)

Overseas medical policies offered by Indian Insurers exceeded pre-pandemic levels and growing fast.

Income growth has allowed more and more Indians to travel abroad for jobs, education, medical treatment, residency, tourism, etc. Data from the Bureau of Immigration (BoI) indicates that more than

8.55 million Indians traveled outside the country in 2021[4], which was growing at a CAGR of 7.98% (2014-2019) before the pandemic. To prevent risks, tourists often take health insurance coverage, largely from private general insurers (>80% share), resulting in a gross premium growth of 7.19% between FY 2018 and FY 2023. Several Indian business groups (India Inc.) now run global operations with significant presence overseas, and health coverage for employees becomes an important decision. Thus, this segment is expected to pick up pace as global borders have opened after the pandemic, and the tourism industry is reviving, appended by growth from increased travel for jobs, education, tourism, etc. Indian insurers selling overseas medical policies predominantly outsource services to global benefits administrators to access their global provider networks, such as to Mayfair We Care, a subsidiary of Medi Assist Healthcare Services. Mayfair, We Care serviced 4 Indian and 4 global insurers with members across 118 nations through their provider networks across 135+ countries in FY 2023.

Exhibit 3.10: Health Insurance Business Carried out in Foreign Countries, FY 2018-2022



Source: GIC; Frost & Sullivan

3.5 CURRENT MARKET DYNAMICS & EVOLVING TRENDS IN THE INDIAN HEALTH INSURANCE INDUSTRY

3.5.1 Government's Elevated Role in Driving Growth

Increasing role in covering more economically vulnerable lives, creating infrastructure to support private healthcare systems.

While the Indian government is undeniably important in increasing insurance penetration and coverage, it also supports infrastructural development advantageous for the private sector and policy changes for increased global relevance. Some such initiatives are discussed below.

- **NDHM:** The National Digital Health Mission (NDHM) provides a digital ecosystem that will allow superior health data analytics to gain insights into population health trends and design targeted interventions to improve health outcomes and streamline & optimize healthcare services such as delivery and insurance.

[4] Tourism Statistics 2022

- **Ayushman Bharat (PM-JAY):** The scheme provides annual health cover of up to INR 5 lakh per family and covers nearly 1,300 medical procedures. It has played a pivotal role in expanding insurance coverage in the country.
- **GIFT City:** GIFT City, or the Gujarat International Finance Tec-City, is a smart city housing a domestic tariff zone and International Financial Services Centres (IFSC) in a multi-service Special Economic Zone (SEZ) and opens new avenues for growth for insurance firms.
- **Foreign Direct Investment (FDI(:** In 2021, the FDI ceiling in the insurance sector increased from 49% to 74% under the automatic route for insurance companies and up to 100% for insurance intermediaries, including TPAs. This liberalization of the FDI limit is expected to increase foreign capital inflow supporting growth & scale-up of the industry, ultimately improving insurance penetration.

3.5.2 Regulatory Changes Presenting New Opportunities For Insurers

Increased flexibility for insurers to innovate and simplified processes for policyholders drawing more people to take coverage:

The Insurance Regulatory and Development Authority of India (IRDAI) has always played an instrumental role in defining the direction of insurance industry growth. The focus of IRDAI is to strengthen the three pillars of the entire insurance ecosystem, viz., insurance customers (policyholders), insurance providers (insurers), and insurance distributors (intermediaries). From standardizing policy terms and conditions for simplification and ease of understanding to offering health insurance portability across insurance companies to capping insurance agent commission to 10-20% (from 35-40%), the regulatory agency has simplified insurance purchases for policyholders, thus influencing insurance penetration. Even recently introduced policy changes such as regulatory sandbox and upping tie-up limits for intermediaries allow insurers to innovate, enhance the ease of doing business, and expand the overall market. Select few policies are detailed below.

- Mandatory coverage for certain diseases and services such as mental illnesses, congenital diseases, pre-existing diseases, and genetic disorders, and increased coverage for daycare procedures as well as telemedicine services.
- Introduction of long-term policies, which offer coverage for up to three years, compared to the previous one-year policy terms.
- Increased experimentation period in the Regulatory Sandbox from 6 to 36 months, allowing insurers to experiment with offerings such as short-term health products launched during COVID, wellness-based points using wearable devices, the launch of OPD products, and bite-sized products in partnerships with payment portals, e-commerce places.
- Proposed composite license framework allowing insurers to undertake general and health insurance via a single entity.
- Committed to enabling 'Insurance for All' by 2047, where every citizen has appropriate life, health, and property insurance coverage and every enterprise is supported by appropriate insurance solutions to make the Indian insurance sector globally attractive. IRDAI's efforts to drive insurance penetration will likely help India move to the top 5 countries in the global insurance market by revenues by 2047.
- Stringent limits have historically been applied to the commission payments to insurance agents and insurance intermediaries for the distribution and servicing of insurance policies and insurers' spending

relative to the premium earned over a financial year. However, the new regulations limit Expenses of Management (EOM[5]) to 30% (General Insurers) and 35% (Stand-alone Health Insurers) of gross premiums written in India, providing insurers with flexibility in expense management while promoting self-regulation.

3.5.3 Innovation in the Indian Health Insurance Sector

From new services and products like wearables and mobile apps to products geared towards prevention, wellness, and reimbursement models designed on value-based care may find traction in the market.

Healthcare innovation is also expected to stimulate innovation in the health insurance sector. Some such innovations are listed below.

- Utilizing an individual's medical history, lifestyle habits, demographic factors, and current health status, insurers may actively use this information to create custom plans and pricing for policyholders.
- Health insurance companies may offer wearable devices that track patients' health metrics and enable extended insurance coverage beyond OPD to home-based care.
- Health insurance companies may offer more incentives for patients to adopt healthy behaviors, such as exercising regularly, eating a balanced diet, and participating in wellness programs to manage chronic diseases.
- Managed care models can also find acceptance in the Indian landscape as insurers look to deepen their relationships with provider networks (primary care physicians, specialists, hospitals, and other healthcare providers).
- Finally, health insurance companies may continue to explore new healthcare delivery models, such as value-based care, which may involve partnerships between health insurance companies and healthcare providers, incentivizing providers to deliver high-quality care that results in better patient health outcomes.

The implementation and success of these initiatives will greatly depend on the availability of good-quality data as a prerequisite. TPAs are uniquely positioned with the ability to capture, analyze, and make data actionable on account of their participation across the health insurance ecosystem, starting from underwriting/risk estimation to actual incidences/event occurrence to medical procedures (by geography, provider, etc.) covering demographic, medical and even financial / cost-related information in a comprehensive manner. It offers leading TPAs like Medi Assist with potential to leverage data and drive transformation through building value propositions across new touchpoints, improved member experience and healthcare value, technology innovation, and efficiency while maintaining data quality.

3.5.4 COVID-19 as a Catalyst for Accelerated Business Model Change

The long-lasting impact of COVID-19 on increased awareness about health insurance options need for better coverage, the industry's evolution in service offerings, and, most importantly, the induced importance of technology.

[5] EOM includes commissions and other expenses such as technology spend, employee costs, administrative expenses, etc.

In essence, TPAs also have an equivalent of a 'black box' of health information, enabling them to be at the forefront of powering innovation to support healthcare, insurance, and even the health-technology ecosystem in the future.

Pandemic-led changes will increase insurance density and premium inflation (insurance density already witnessed a jump of 31% between 2020 and 2021, the average premium inflation of 24%), product & process innovation, and, most importantly, recalibrate focus on customer experience. Some of the changes, which are expected to have a more permanent impact on insurance business models, are discussed below:

- Expansion of services focused on health and wellness to improve the health quotient of policyholders to minimize claims.
- New distribution and client engagement channels developed because of initial lockdowns and mandatory social distancing will give rise to hybrid models where digital will become the initial touchpoints, and face-to-face will be limited to complex case solutions.
- Digital transformation at the payer and provider end with cashless and paperless reimbursement systems will become the new standard for servicing policyholders.

Following the effects of the COVID-19 pandemic, the significance of technology has become even more apparent, with a greater realization among the group and retail insurance policy providers that technology can be a critical enabler for delivering efficient and effective healthcare services. In particular, customer support, automated and paperless processing, and adjudication of insurance claims are essential components in providing high-quality healthcare services that meet customers' evolving needs.

3.5.5 Evolution of Digital-First Insurers & Brokers

Changing customer expectations and continuing pressure on classical operating models to improve efficiency and control costs are expediting digital transformation:

Digital transformation has significantly impacted the Indian insurance industry and given rise to digital-first insurers- companies prioritizing digital technologies and channels to deliver their products and services to customers. These insurers build their operating models around digital processes, automation, and technology-enabled customer experiences. Besides enhancing workflow efficiency on the customer front, digital-first insurers enjoy backend operational efficiency. The change in customer preference for online policy purchase after comparing benefits and prices to having 24X7 customer support has nurtured rapid growth of digital-first insurers.

This surge in online transactions has also allowed for higher data capture volumes and analytics. Insurers can now better understand their customers and offer more personalized policies. Companies use cutting-edge technology, such as AI-powered chatbots, to answer customer queries in real time and provide personalized recommendations based on the customer's needs. Similarly, companies use blockchain technology to offer more secure and transparent policies while automating claims processes to prevent fraud and reduce overall costs. Digital transformation creates opportunities for insurers along the entire value chain, from acquiring new consumers and providing consulting advice to underwriting, generating insurance policies, processing payments, and customer service.

3.5.6 INCREASING OUTSOURCING AND DEPENDENCE ON TPAS

Changing insurance industry dynamics led by modified consumer behavior, growing complexity of healthcare and insurance products, and thus coverage needs, network penetration and savings, higher OPD utilization, need for fraud prevention, and the need for agility in tech adoption is increasing reliance on benefits administrators to bring innovation, efficiencies, and cost savings.

Current factors at play that are increasing challenges for healthcare insurers include:

- Increased volumes (domestic and overseas) demanding larger scale of operations (domestic and global),
- Interconnectedness and integrations between ecosystem players,
- pressure from increasing healthcare costs & high service demand,
- growth in non-traditional services and patients getting covered, a multitude of products and services offered,
- constantly changing regulations,
- customer expectation and engagement model change- focus on customer journeys and experiences,
- business model change gravitating toward risk management and a risk service business,
- tech-led disruption - need for agility in creating infrastructure for data capture, collection, & processing.

Solving these challenges is a resource- and cost-intensive, motivating insurers to outsource claims management to health benefits administrators. Health benefits administrators are better placed than insurers to keep up with the process and technological advances because they handle claims for numerous insurers.

Moreover, claims processing – a critical process in servicing customers of insurance companies when outsourced to health benefits administrators can help insurers focus on product innovation and risk management and reduce operational costs, streamline core processes, and, most importantly, improve customer satisfaction.

Besides, the importance of health benefits administrators came into further limelight during the pandemic as COVID-19 exposed several deficiencies in the existing service models. As health benefits administrators stepped up to bridge operational and technological gaps, they made themselves indispensable for the future, particularly those with a strong technological foundation and large scale of operations.

Even post-COVID-19, most of the pandemic-induced challenges remain, and TPAs continue to support delivering value across the ecosystem for the stakeholders. For instance:

- **Product complexity:** Since the beginning of the pandemic, many insurers have swiftly introduced new COVID-19 policies, top-up covers, OPD policies, and even sachet products tailored to provide coverage for shorter periods. Adopting flexible benefits has also increased significantly, with companies and employees opting for personalized coverage based on their individual needs. To handle this surge, TPAs quickly deployed additional resources and integrated/transitioned systems during the pandemic, achieving high accuracy and efficiency while managing the increased number of policies and the complexity of servicing them that continues to date.
- **Handling OPD Claims:** During the COVID-19 pandemic, there was a significant rise in outpatient care through Telemedicine, online pharmacy services, tele-diagnostics, and lab test bookings. It

resulted in a surge of OPD claims across the healthcare industry. However, third-party administrators (TPAs) stepped up to the challenge. They successfully processed this increased volume of OPD claims in addition to offering real-time cashless transactions and wallet access while maintaining their cost-effective structures and ensuring high-quality customer service. This trend continues today, with COVID-19 acting as a catalyst for a sustained high volume of OPD claims and TPAs continuously introducing new solutions.

- **Network penetration:** Since the outbreak of COVID, insurance coverage in Tier 2/3 areas has significantly grown, resulting in a surge of corresponding claims, processing, and servicing needs. Expanding networks independently is challenging for insurers, so they rely on TPAs to ensure nationwide service delivery. It has enabled customers to benefit from cashless hospital experiences, even in hospitals that previously lacked such facilities. It has also helped insurers mitigate the risk of fraud while maintaining control over medical inflation.
- **Digital/online claim submission:** COVID-19 shifted how claims are submitted- from tangible paperwork to online submissions. With the restrictions on physical movement during the pandemic, Third-Party Administrators (TPAs) took on a crucial role in facilitating digital and online claims submission through their portals while interacting with policyholders, providers, and insurers. Numerous policyholders and businesses have now adopted online/digital claims submission, positively impacting the industry's digitization and Turnaround Times (TATs).

4 INDIA'S HEALTH BENEFITS ADMINISTRATION SECTOR

Health benefits administrators (BAS) manage and coordinate healthcare benefits and insurance plans for beneficiaries (e.g., policyholders and employees). Health benefits administrators engage with stakeholders through an integrated portfolio of health management tools, cutting-edge technology, analytical capabilities, and personalized customer service. It encompasses services traditionally offered by Third-Party Administrators (TPAs), ranging from enrolling individuals and groups in health insurance plans, managing eligibility and liaising with insurers, providing customer support (enhanced engagement & experience), developing a provider network, and educating beneficiaries about policy terms and conditions. Several corporations globally, especially in the US, have increasingly shifted to self-funded plans for providing healthcare benefits to their employees. These organizations have specialized ASOs (Administration Services Organizations) for managing their customized self-funded plans through their suite of comprehensive solutions. Additionally, BAS also offers technology platforms to insurers to streamline and scale up their operations, enhance efficiency, and provide better client services; consulting services for IT risk and security, value-based care services, analytics & insights, and healthcare program design, to name a few.

While globally, TPAs have evolved to assume the larger role of offering the entire range of services encompassing the BAS spectrum, currently, in India, a few select TPAs[6] like Medi Assist are charting into this territory with inpatient & outpatient network, on-demand health, fraud, waste, abuse medical inflation management with borderless benefits.

[6] TPAs are also referred to as BAS in the report since they offer few of the services belonging to the BAS service spectrum.

4.1 HISTORY OF THE TPA INDUSTRY IN INDIA

A Third-Party Administrator (TPA) is an organization that processes insurance claims on behalf of insurance companies. TPAs were envisaged as a link between the insurer, healthcare service provider, and the policyholder. The insurers are expected to take risks, set the premium rates, and undertake the marketing and enrollment, while TPAs are expected to take over the claims processing function. The concept of TPAs in India emerged in the late 1990s as part of the liberalization of the insurance sector.

By 1995, 2 million people had enrolled in the health insurance plans offered by the four public sector insurers. The industry started expanding with increasing coverage from corporates, removal of sub-limits, and availability of custom insurance plans. So did the services offered by insurers, such as 24X7 call centers, to address policyholders' queries and direct settlement with the hospitals. IRDAI introduced TPA regulations in 2001 to offer impartial and efficient health benefits administration. The first TPA in India-Medi Assist India TPA Pvt. Ltd -was established in 2002.

While TPAs in India were initially primarily involved in processing claims for health insurance policies, their role expanded to include other functions such as policy administration, customer service, and provider network management.

As the Indian insurance market continued to grow, the demand for TPAs increased, and more companies entered the market. As of March 2023, 17 TPAs operate in India, providing services to public and private health insurance companies. Their services help improve efficiency and reduce costs for insurance companies while providing valuable support and assistance to policyholders.

4.2 CORE FUNCTIONS OF TPAS

TPAs serve as a one-stop-shop for Insurers (Payers), Policy Holders (Members), and Hospitals (Networks).

The origin of TPAs goes back to the US market, where entrepreneurs entered the insurance business in the late 1960s and '70s to capitalize on its growth potential. These entrepreneurs reduced the insurers' administrative and claims management tasks by offering these services for a fee, which led to the birth of the TPA industry. Companies like Sedgwick started as small regional claims administrators for large insurance companies and grew successfully thereafter by expansion like most others in the TPA industry globally.

In the Indian ecosystem, the key role of TPAs is to act as an intermediary between the insurers and the insured and facilitate the administration of cashless and reimbursement claims. It entails the following key functions:

Table 4.1: Core Functions of TPAs, India

Core Functions of TPAs	
Healthcare Providers (Network)	Manage patient communication and provider selection; process medical claims and handle administrative tasks, such as verifying patient eligibility, submitting claims to insurance companies, and managing denials and appeals, thus reducing administrative burden; provide financial support, such as providing cashless treatment options and arranging for pre-authorization of medical treatments.

Members/ Beneficiaries	Help patients access health insurance coverage and facilitate the reimbursement of healthcare expenses; provide information and resources about healthcare providers, hospitals, and medical treatments; assist patients in making informed decisions about their healthcare; set reimbursement rates and ensure that providers meet quality and credentialing requirements; coordinate healthcare services such as scheduling appointments with healthcare providers, arranging for transportation to medical appointments, and providing language translation services (fine print in policies); and assist with medical billing such as understanding medical bills and insurance claims, and supporting with billing issues and disputes.
Insurers / (Payers)	Manage provider networks by contracting with providers, provide 24X7 customer support, fraud, and abuse control, data capture and analytics for designing policies and setting the premium, and providing digital tools such as client portals, mobile apps, and claims download tools that facilitate automating processes relevant to insurance companies, healthcare providers, insurance brokers, and insurance agents.

In addition to the above functions, TPAs also perform certain activities specific to public health insurance schemes, including:

- Publicity and population mobilization activities for the scheme
- Identification and verification of the beneficiaries

Established healthcare markets like the US, have witnessed the emergence of Health Benefits Administrators (HBAs) who offer services typically ranging from enrolling individuals and groups in health plans, managing eligibility and liaising with insurers and/or employers, providing customer support (access to a network of health and wellness service providers), claims processing, developing preferred provider networks (PPNs), and educating beneficiaries about policy terms and conditions. Additionally, HBAs offer technology platforms to insurers and employers to streamline and scale up their operations, enhance efficiency, value-based care services, manage medical inflation, analytics & insights, and fraud/abuse prevention services, etc. Thus, these companies play a major role in developing the entire insurance industry.

India is also witnessing the emergence of TPAs moving towards benefits administrator services focused on patients and hospitals, thus driving efficiency and growth in the sector.

4.2.1 Types of Claims Administered by TPAs

Based on how a claim is settled, four main types of claims are administered by TPAs, with preconditions described below.

Table 4.2: Types of Claims Handled by TPAs, India

Types of Claims Handled by TPAs			
Cashless Claims	**Reimbursement Claims**	**Benefit Based Schemes**	**Domiciliary Claims**
Policyholder/ beneficiary has a planned treatment. Available only in networked hospitals Policyholder/ beneficiary is normally required to inform TPA in advance. Policyholder/ beneficiary is required to produce the issued ID card.	Policyholder/ beneficiary pays the expenses out of pocket and gets the expenses reimbursed after discharge. It usually happens in the case of non-networked hospitals with TPAs.	Pays a fixed amount upon diagnosing a covered ailment. The amount can substitute for income when the policyholders cannot work. Provided additional funds for medical expenses and treatment	Cover illnesses that do not require hospitalizations, including treatment either taken from a physician or at the OPD in a hospital. Predetermined criteria must be met.

Settlement is made by the insurer directly to the hospital

Source: Frost & Sullivan

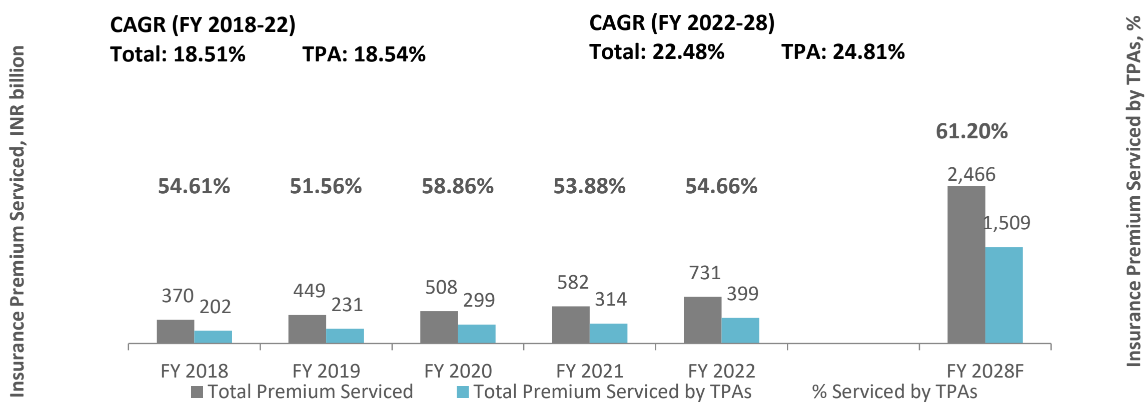
4.3 PROFILE OF TPAS

4.3.1 HEALTH INSURANCE PREMIUMS SERVICED BY TPAS

Strong growth in group insurance policies with increasing penetration of TPAs; Medi Assist, Raksha, and Medvantage account for 17.26%, 2.21%, and 0.70% of the total retail and group health insurance premium, respectively

The growth in health insurance premiums has been undeniable with the growing awareness of the importance of health coverage, growth in demand for healthcare services, and increased affordability to seek voluntary coverage. In the last five years, TPAs have become indispensable in the health insurance industry in India. They have also achieved the same pace of growth as the overall health insurance sector at a CAGR of 18.51%. However, the volume of enrollments is increasing faster than ever, and claim processing is becoming even more complex. Consequently, insurers are expected to lean more on TPAs to increase process efficiency and capitalize on their value-added services geared towards cost savings and client centricity. As a result, in the next five years, TPAs are expected to outpace the sector's growth and enjoy a CAGR of 24.81% based on the total premium serviced by them.

Exhibit 4.1: Total Health Insurance Premium Serviced: FY 2018-2028

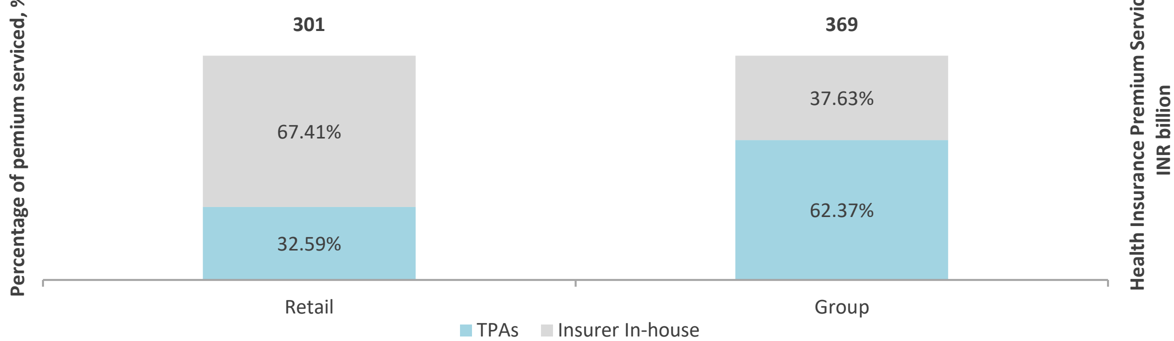


Source: Company Annual Reports; Frost & Sullivan

Note: TPA data is based on publicly available data by the 21 TPAs active as of FY 22; Since the data is not available for all the TPAs, the actual penetration may range between 57-58%. Based on the total number of claims processed by TPAs, the penetration was 76.25% in FY 2022, as reported by IRDAI.

In recent years, TPAs have emerged as a prominent player in the group segment, with over 60% of the premiums serviced by them. The TPA serviced group segment has witnessed rapid growth in terms of premiums processed, with a 22.19% increase between FY 2018 and FY 2022. As corporations expand their coverage for employees and dependents and offer more prevention, wellness, and health-tracking services, insurers will likely rely on TPAs for cost containment, customized programs, efficient claims processing, and overall management. It is expected to drive a significant growth of around 25% in the TPA segment over the next five years.

Exhibit 4.2: Total Health Premium Serviced by TPAs by Type of Retail and Group Policies, FY 2022

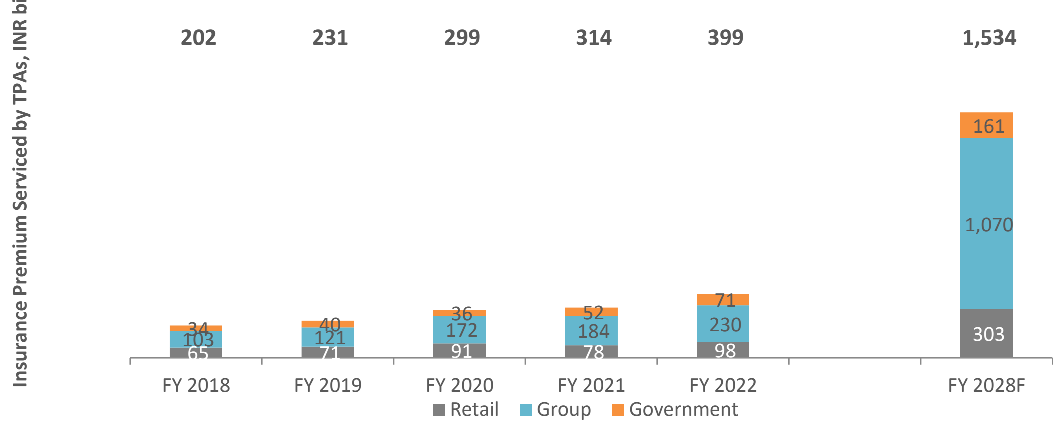


Source: Company Annual Reports; Frost & Sullivan

Note: TPA data is based on publicly available data by the 21 TPAs active as of FY 22; Since the data is not available for all the TPAs, the actual penetration may range between 57-58%. Based on the total number of claims processed by TPAs, the penetration was 76.25% in FY 2022, as reported by IRDAI. Based on premium serviced in FY 2022, TPA penetration for retail for Private+ SAHI was estimated to be 9.71%. TPA penetration for the group for Private+ SAHI was estimated to be 14.00%, and total TPA penetration for retail and group for Private+ SAHI was estimated to be 11.51%.

Exhibit 4.3: Total Health Premium Serviced by TPAs: FY 2018-2028

CAGR (FY 2018-22)
Total: 18.54% Retail: 10.71% Group: 22.19% Government: 20.52%
CAGR (FY 2022-28)
Total: 25.14% Retail: 20.71% Group: 29.19% Government: 14.52%



Source: Company Annual Reports; Frost & Sullivan

Note: TPA data is based on publicly available data by the 21 TPAs active as of FY 22; Since the data is not available for all the TPAs, the actual penetration may range between 57-58%. Based on the total number of claims processed by TPAs, the penetration was 76.25% in FY 2022, as reported by IRDAI.

Although TPAs have experienced ~10% growth in the retail segment in the last five fiscal years, they are expected to see double the growth in the next five years. Public sector insurers are predicted to gain market share in retail policies due to their competitiveness with private sector insurers, especially with the introduction of the EOM limit. With their high penetration in tier 2 and 3 cities, public sector insurers are expected to provide greater policy coverage to the missing middle, approximately 140 crores in population. At the same time, economically vulnerable individuals are covered by Ayushman Bharat schemes, and affluent individuals obtain voluntary and often more expensive insurance coverage from private sector insurers. As public sector insurers primarily outsource their claims management to TPAs, this will further boost the growth of TPAs in the retail segment. The premiums managed by TPAs across private general insurers and SAHIs in the retail segment were 6.26% in 2018 and grew to 9.71% in 2022.

As the market is growing towards group policies driven by corporate sector growth in the country, there is a huge demand in the overall ecosystem with an increasing need for customization of policies to suit the population demographics, variations in the need for coverage based on organization requirements and increase in the need for the larger network to support the entire ecosystem and focus on overall customer satisfaction. In the last few years, there has been a growth in the need for technology to drive efficiency and customer experience.

TPAs also supported almost all government schemes during COVID-19 and witnessed a CAGR of 20.52% from FY 2018 to FY 2022.

With a focus on the customization of healthcare benefits and offering flexi-benefits, among other things, several corporates and MNCs operating in India are shifting to complete or partially self-funded plans for covering a section or even their entire workforce. Select TPAs in India are already catering to corporates and MNCs to support their self-funded plans, and this presents a large market and growing opportunity for specialized TPAs in India.

Some third-party administrators (TPAs) also collaborate with life insurance companies to manage their complex health rider policies, which provides an additional premium management stream. If composite licenses allow life insurers to enter the core healthcare industry, it could pave the way for new players to enter the health insurance market, thereby expanding the scope for TPAs to serve a larger insurance base. In addition to premium management, TPAs also provide technological solutions (SaaS) under contract, particularly for retail policies, such as unified health and insurance platforms powered by AI, tools for document digitization and health analysis, technology platforms for claims processing and detecting fraud, and more.

These opportunities create several avenues for new revenue streams for Benefits administrators while delivering value to stakeholders across the industry.

4.4 COMPETITIVE LANDSCAPE

Medi Assist is India's largest health benefits administrator, with an increasing market share, a commanding position in premiums serviced, revenues, profitability, and return metrics, and consistently improving financial performance.

25 TPAs were operating in 2019-2020; however, given the ongoing consolidation and challenges experienced by many players in the industry, the number has shrunk to 20 in June 2022 and is expected to be around 16 active TPAs with the acquisition of Medvantage & Raksha by Medi Assist in CY 2023. Medi Assist is India's largest health benefits administrator in terms of revenues in FY 2021, FY 2022, and FY 2023. Medi Assist, Medvantage, and Raksha reached a TPA service revenue share of 28.08%, 2.21%, and

4.61% in FY 2022[7]. Moreover, given the concluded acquisition of Medvantage by Medi Assist, the company is expected to maintain its market-leading position in FY 2023 as well. The second and third largest TPAs in FY 2022 accounted for nearly 13% of the market shares each by TPA service revenue, respectively. Interestingly, TPAs also generate revenue from the provision of one-time Pre-policy health check pass-through (GMV equivalent) business, which is outside of standard benefits administration / TPA contracts and hence not based on premiums serviced. Service Revenue has been calculated by excluding pre-insurance medical examinations-based revenue.

Table 4.3: Market Share of Top TPAs by Total TPA Service Revenue FY 2020-2022, India

Top TPAs by total TPA Service Revenue FY 2020-2022					
TPA	**Total TPA Service Revenue, FY 2022, INR crore**	**Total TPA Service Revenue CAGR (FY 2020-2022)**	**Market Share by TPA Service Revenue (FY)**		
			FY 2019-2020	**FY 2020-2021**	**FY 2021-2022**
Medi Assist Insurance TPA Private Limited	412.1	11.67%	27.04%	26.87%	28.08%
Raksha Health Insurance TPA Private Limited (Raksha)	67.6	-2.65%	5.84%	5.09%	4.61%
United Health Care Parekh Insurance TPA Private Limited (Medvantage)	32.5	14.88%	2.01%	2.18%	2.21%
TPA A	191.3	47.77%	7.17%	6.36%	13.03%
TPA B	190.6	-1.68%	16.13%	13.75%	12.99%
TPA C	146.1	1.27%	11.66%	11.85%	9.96%
TPA D	117.7	18.43%	6.87%	7.21%	8.02%
TPA E	67.1	24.28%	3.55%	3.99%	4.57%
TPA F	61.4	7.08%	4.38%	6.02%	4.18%
TPA G	46.9	8.31%	3.27%	3.35%	3.20%
TPA H	35.0	37.30%	1.52%	2.13%	2.39%
TPA I	24.6	17.33%	1.46%	1.68%	1.68%

Source: Company Annual Reports; Frost & Sullivan
Note: TPA service revenue refers to the total revenue generated by individual TPAs, excluding the revenue from the pre-insurance medical examinations, as reported by the individual TPAs in their respective financial statements

Table 4.3: Market Share of Top TPAs Across Select Financial and Operational Metrics FY 2020-2022, India

Financial and Operational Profile of Top TPAs, FY 2022								
Parameters	**Medi Assist**	**Raksha**	**Medvantage**	**TPA 2**	**TPA 3**	**TPA 4**	**TPA 5**	**Total Industry**
Revenue, INR crore	412.1	67.6	32.5	261.6	191.3	146.4	146.1	1655.6
EBITDA Margin	22.13%	11.97%	3.94%	11.42%	11.28%	10.20%	9.57%	13.47%
PAT Margin	15.40%	12.27%	3.39%	7.03%	0.34%	1.42%	3.40%	6.93%

[7] TPA service revenue refers to the total revenue generated by individual TPAs, excluding the revenue from the pre-insurance medical examinations, as reported by the individual TPAs in their respective financial statements

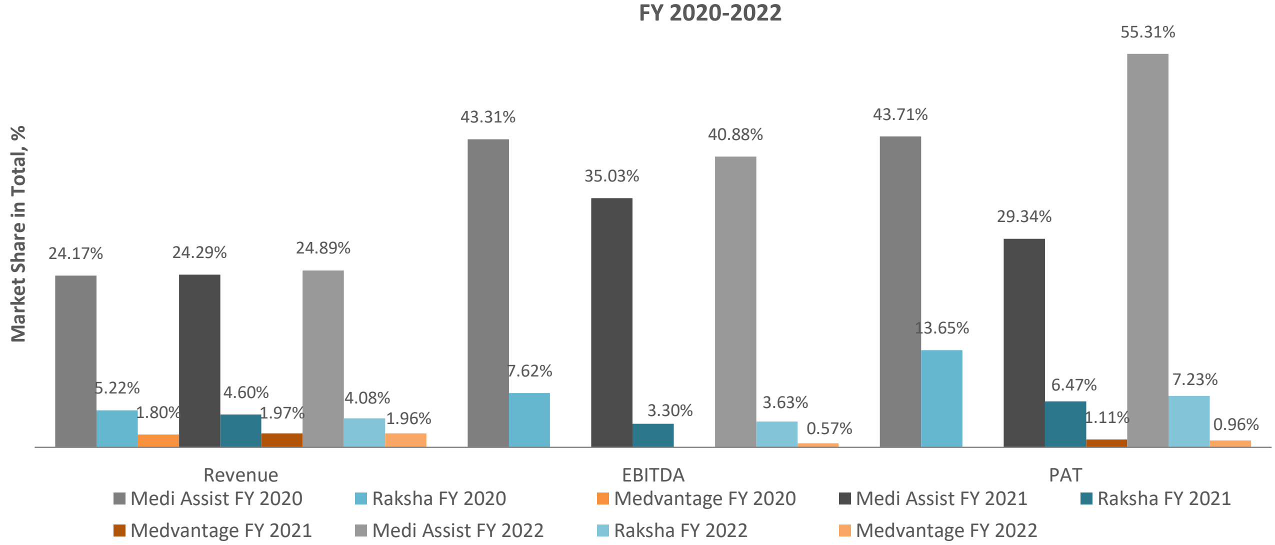
ROE	18.71%	14.32%	17.49%	13.89%	0.78%	18.85%	2.71%	10.20%
ROCE	17.06%	11.48%	12.27%	13.48%	8.99%	19.91%	2.07%	9.85%
Total premium serviced, INR billion	124	18	10	59	52	13	37	399
Market share in premium serviced by TPAs	30.98%	4.63%	2.60%	14.82%	13.14%	3.17%	9.31%	NA
Total number of claims processed thousands	5,519	408	326	4,845	2,663	305	-	NA
The total value of claims processed, INR billion	142	19	11	60	50	14	-	NA

Source: Company Annual Reports; Frost & Sullivan

Note: The industry excluding Medi Assist alone, had an EBITDA margin of 10.60%, PAT Margin of 4.12%, ROE of 6.53%, and ROCE of 7.07% in FY 2022.

Top 5 TPAs based on total revenue in FY 2022; Revenue refers to revenue from operations and other income; EBITDA= EBIT + DA; EBIT = Revenue from operations + Finance Cost – Total Expenses; ROE =PAT/ Shareholder's Equity; ROCE =EBIT / Capital Employed; Capital Employed = Total assets – current liability

Exhibit 4.4: Medi Assist's, Raksha's & Medvantage's Market Share Across Select Financial Metrics, FY 2020-2022



Source: Company Annual Reports; Frost & Sullivan

Note: Medvantage experienced negative EBITDA margins of 11.12% and 0.84% in FY 2020 and FY 2021, respectively, and a negative PAT margin of 11.61% in FY 2020

Top 3 TPAs account for 32.21% of the total health insurance premium, with Medi Assist demonstrating a significant share of the total TPA service revenue[8] at 28.08% in FY 2022 and consistently higher EBITDA and PAT compared to average industry margins across the pool of all TPAs.

Medi Assists' recent acquisition plans include Raksha and Medvantage. For FY 2022, Medi Assist's total revenues accounted for 24.89%, EBITDA accounted for 40.88%, and profit after tax accounted for 55.31% of the Indian health benefits administrator industry revenue, EBITDA, and profit after tax, respectively.

The company's high profitability can be attributed to the management's focus on the relatively profitable group and retail health insurance segments. As a result, Medi Assist is now the largest health benefits administrator in India in terms of premium under management for retail and group policies, with a market share of 14.83% of the retail health insurance market and 41.71% of the group health insurance market, and cumulative retail and group segment share of 33.67% serviced by health benefits administrators, as of FY 2022.

Table 4.4: Medi Assist Market Share as a Percentage of Total Premium Serviced in Value by Health Insurance Industry FY 2023, India

Medi Assist market share as a percent of the total premium serviced in value by the health insurance industry FY 2023			
FY 2023			
Parameters	**Medi Assist**	**Raksha**	**Medvantage**
Retail	5.06%	1.92%	0.00%
Group	26.39%	2.42%	1.22%
Group + Retail	17.26%	2.21%	0.70%

Source: Company Annual Reports, IRDAI, GIC, Frost & Sullivan Analysis. The information provided by GIC and IRDAI has been leveraged to estimate FY 2023 values for the total premium serviced by the health insurance industry. The FY 2023 numbers for Medi Assist, Raksha, and Medvantage have been made available by the company. All the TPAs have yet to publish similar numbers as of July 2023; hence audited information provided by the company has been leveraged to calculate market shares.

The company has particularly maintained its market-leading position in premium under management amongst assessed health benefits administrators in the India's overall group health insurance segment from FY 2020 to FY 2022, with a jump in market share from 23.30% to 26.01%. Medi Assist managed around INR 96 billion of group health insurance premiums, representing 26.01% of India's overall group health insurance market and 41.71% of the group health insurance market serviced by health benefits administrators in FY 2022. The company's market share in the overall group health insurance market serviced by health benefits administrators was nearly five times that of its nearest competitor in FY 2022. Moreover, this share increased from 35.04% to 41.71% between FY 2020 and FY 2022 for Medi Assist.

Table 4.5: Premium Serviced by Top 5 TPAs by Policy Type, India, FY 2020- FY 2022

Premium Serviced by Top 5 TPAs, INR billion, FY 2020-2022									
TPA	**FY 2022**			**FY 2021**			**FY 2020**		
	Retail	**Group**	**Govt.**	**Retail**	**Group**	**Govt.**	**Retail**	**Group**	**Govt.**
Medi Assist	14.5	96.0	13.2	11.0	68.2	1.0	9.8	60.3	8.9
Raksha	7.5	11.0	-	7.5	6.3	-	8.5	8.0	3.2

[8] TPA service revenue refers to the total revenue generated by individual TPAs, excluding the revenue from the pre-insurance medical examinations, as reported by the individual TPAs in their respective financial statements

Medvantage	-	10.4	-	-	7.9	-	-	7.2	-
TPA 2	13.5	19.9	25.9	13.4	16.5	22.1	11.7	18.2	14.5
TPA 3	10.7	26.1	15.6	3.1	12.3	8.2	3.1	12.1	-
TPA 4	3.4	9.2	-	3.5	6.5	-	4.1	6.7	0.2
TPA 5	12.5	24.7	-	7.8	28.4	-	20.2	27.1	0.0

Source: Company Annual Reports; Frost & Sullivan

Note: Top 5 based on total revenue in FY 2022

Exhibit 4.5: Market Share of Premium Serviced by TPAs under Retail and Group Policies, FY 2022
Total = INR 328.1 billion

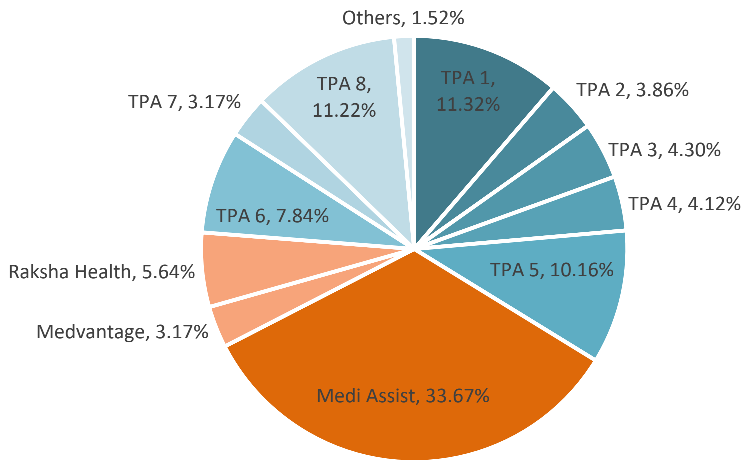
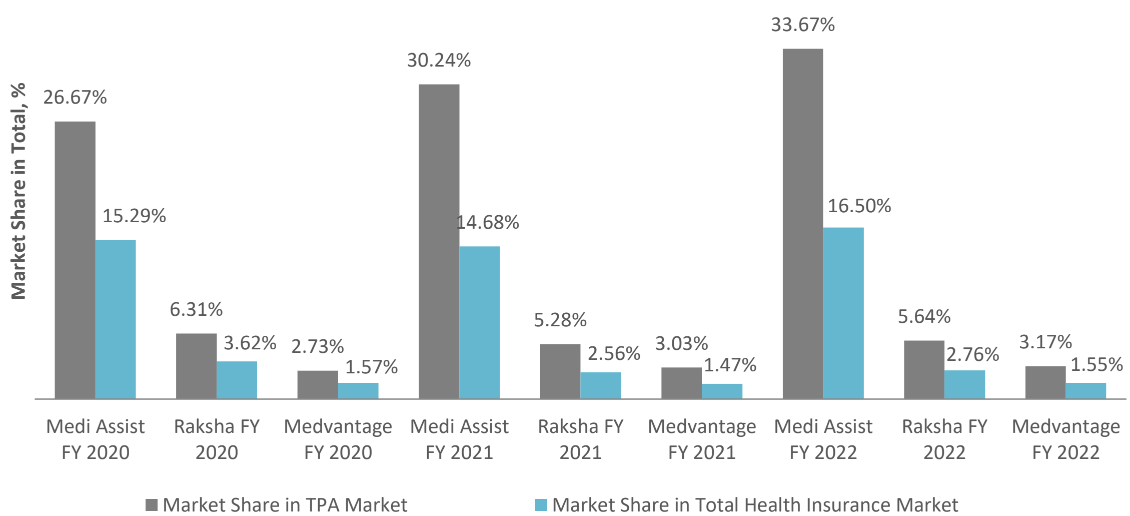
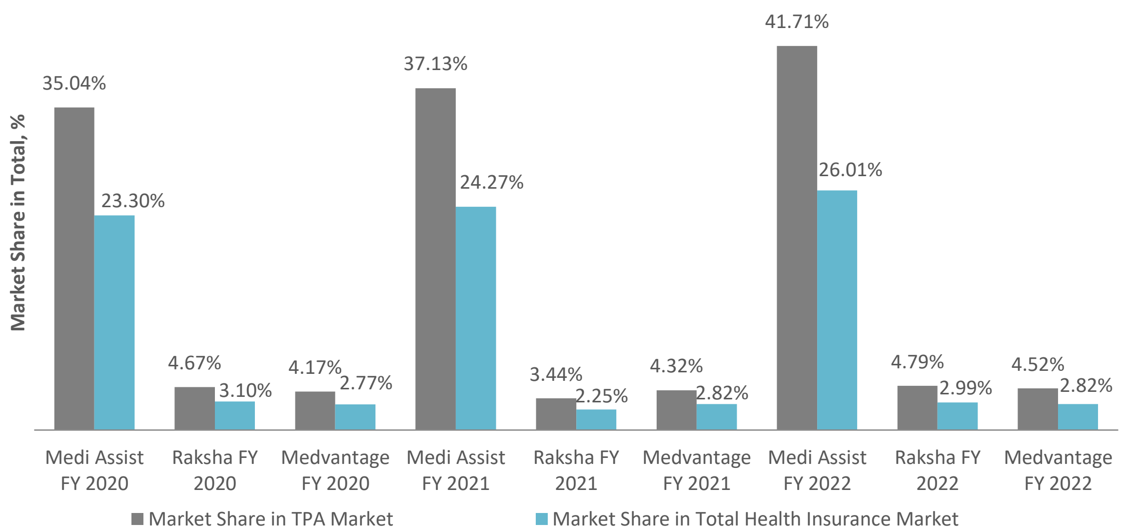


Exhibit 4.6: Medi Assist's, Raksha's, & Medvantage's Market Share in Gross Premium Serviced across Group and Retail Policies, FY 2020-2022



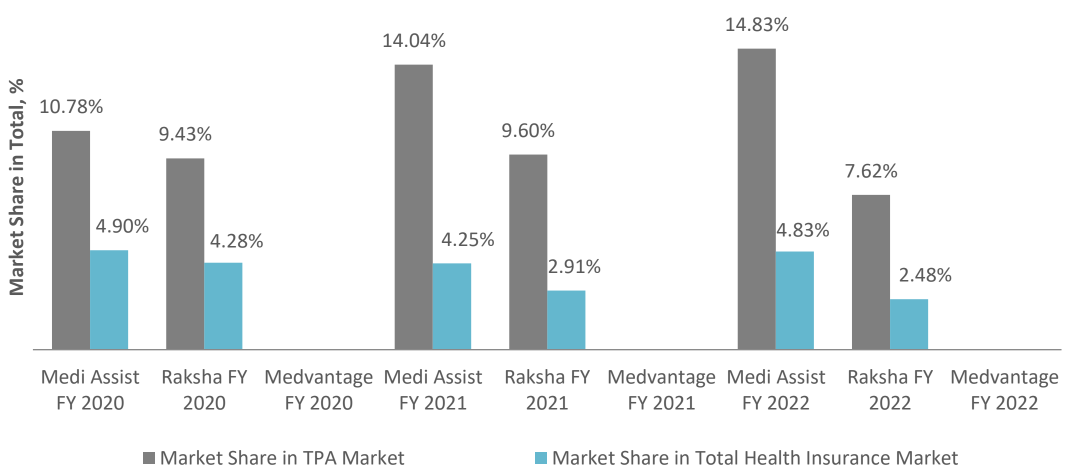
Source: Company Annual Reports; Frost & Sullivan.

Exhibit 4.7: Medi Assist's, Raksha's, & Medvantage's Market Share in Gross Premium Serviced across Group Policies, FY 2020-2022



Source: Company Annual Reports; Frost & Sullivan

Exhibit 4.8: Medi Assist's, Raksha's, & Medvantage's Market Share in Gross Premium Serviced across Retail Policies, FY 2020-2022



Source: Company Annual Reports; Frost & Sullivan

Note: Top 10 based on Revenue in FY 2022

Medi Assist also managed INR 15 billion of premiums for the retail health insurance market, representing 4.83% of India's overall retail health insurance market and 14.83% of the retail health insurance market serviced by health benefits administrators in FY 2022.

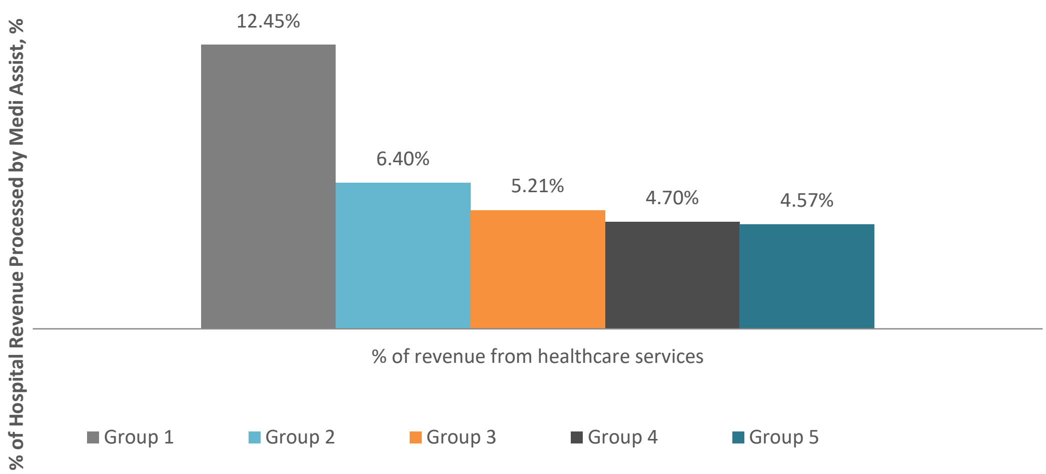
In FY 2022, Medi Assist's recent acquisitions Raksha and Medvantage comprised 4.79% and 4.52% of the group premiums serviced by health benefits administrators. Additionally, Raksha contributed a 7.62% share of the retail premiums serviced by health benefits administrators in the same year. For FY 2022, the market share of premium serviced by health benefits administrators under retail and group schemes of Medi Assist was 33.67%, approximately three times the market share of the next largest player in the industry, while the market share for Raksha and Medvantage were 5.64% and 3.17% respectively.

Conclusively, Medi Assist is India's largest health benefits administrator in terms of revenues and premium serviced for retail and group schemes for FY 2020, FY 2021, and FY 2022.

Medi Assist is a notable health benefits administrators partner for several top hospital chains in India and across group policies for private sector general insurers in India. Medi Assist contributed 12.45%, 6.40%, 5.21%, 4.70%, and 4.57% of the total healthcare services revenue for hospital group 1, group 2, group 3, group 4, and 5.

The company contributed 16.19% for Insurer 1, 15.15% for Insurer 2, 13.53% for Insurer 3, and 6.24% for Insurer 4.

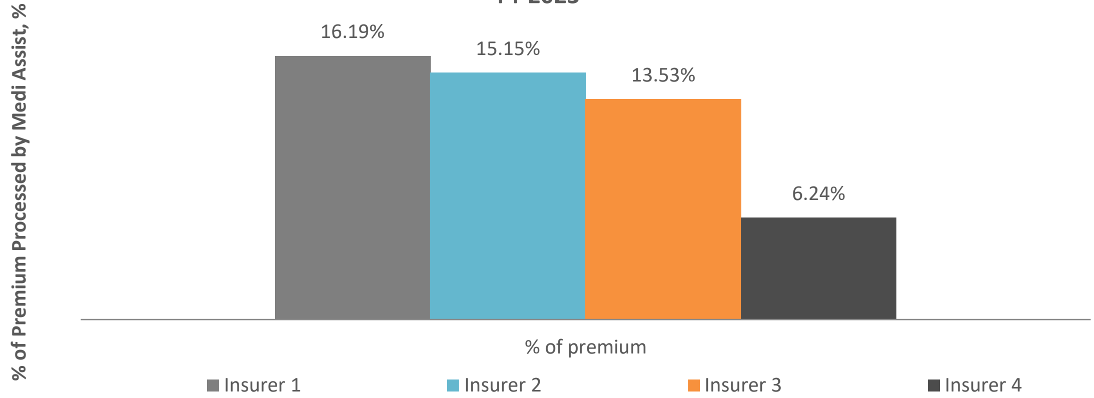
Exhibit 4.9: Hospital Revenues Processed by Medi Assist, FY 2023



Source: Company Annual Reports; Medi Assist; Frost & Sullivan

Note: Hospital revenues processed by Medi Assists = Total claims handled by Medi Assist for the hospital group/revenue from healthcare services for the hospital group

Exhibit 4.10: Private Sector General Insurer Group Policy Premium Processed by Medi Assist, FY 2023



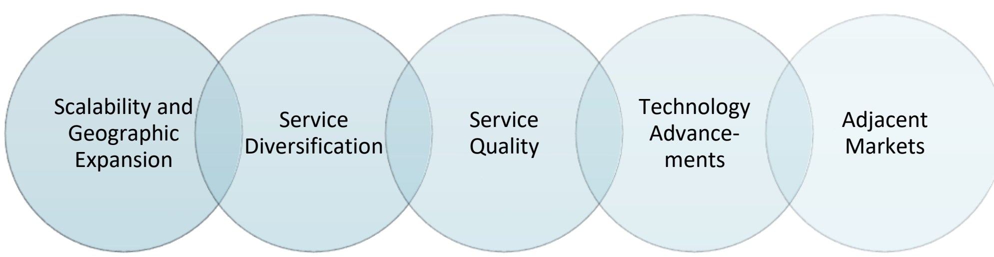
Source: GIC; Medi Assist; Frost & Sullivan

The COVID-19 pandemic has brought about a fundamental and lasting shift in behavior across both the retail and group segments. This shift has significantly driven growth for several TPAs, including Medi Assist, over the past three years, despite the economic downturn caused by the pandemic in 2021. During FY 2023, Medi Assist's retail and group premium increased by 26.77% compared to the same period in the previous year, due in part to the heightened awareness of the need for adequate health insurance brought on by the pandemic. This trend is also expected to continue to support growth in the overall sector.

4.5 CURRENT DYNAMICS & EVOLVING TRENDS IN THE INDIAN TPA INDUSTRY

4.5.1 Consolidation in the Industry

Claims services and third-party administrators' industry segments remain fragmented. As TPAs look to develop capabilities across service lines, geographies, and the healthcare value chain, the inorganic growth path has become the norm. While larger TPAs can negotiate better prices and premiums, rolling in smaller specialized TPAs helps widen the breadth of client offerings and cover more steps in the claims value chain. TPAs like Medi Assist continue to pursue opportunities for carve-outs and alliances with insurance companies and partnerships with sponsors/employers and distributors. Some common themes encouraging acquisitions in the health claims management industry are listed below.



Recent acquisitions in the global and Indian TPA industry point to the growing consolidation trend in the sector. Some of the emerging themes driving consolidation are included below.

Table 4.6: List of Key Mergers and Acquisitions in the TPA Industry, Global

Key M&A in the Global TPA Industry in the Recent Past

Company	Target Company	Year of Transaction	Strategic Purpose
Healthcomp	Gilsbar	2022	Improve healthcare cost containment, member engagement, and care management.
Marpai	Maestro	2022	Scale up and offer AI-powered health plan services to customers, including proactive, targeted health interventions for at-risk members and outreach to fill gaps in care for annual visits.
Comprehensive Healthcare Systems	Benveo	2022	Expand service coverage for Employee benefits administration and accelerate digital transformation with automation and artificial intelligence for cost efficiencies and better resource utilization.
Charles Taylor	The Matrix Companies	2022	Strengthens presence in the Midwest and broadens portfolio to include Matrix's full spectrum of risk management and workplace safety solutions
Alera Group	Related Risk	2021	Deploy new products and programs, enter new markets, and expand existing offerings.
Optum	ConnectYourCare	2021	Expand offerings in the growing consumer-directed healthcare market- specializing in health savings accounts, flexible spending accounts, and other employee benefits.
Optum	Change Healthcare	2021	Streamline clinical, administrative, and payment processes for healthcare providers and payers.
Crawford	Praxis Consulting	2021	Expand presence in the US subrogation claims market
Crawford	BosBoon	2021	Strengthen the ground presence in the Netherlands
HealthEquity	WageWorks	2019	Expand service offerings in commuter benefits and enter new markets
Wells Fargo Insurance Services	HUB International	2019	Widen the range of services, including employee benefits administration and risk management.
Sedgwick	York Risk Services	2019	Leverage York's strength in workers' compensation claims
HealthEquity	WageWorks	2019	Gain market share in Health Savings Accounts and complementary consumer-directed benefits market.

Source: Company Reports and Frost & Sullivan

Table 4.7: List of Key Mergers and Acquisitions in the TPA Industry, India

Select M&A Transactions in the Indian TPA Industry in the Recent Past			
Company	**Target Company**	**Year of Transaction**	**Strategic Purpose**
Medi Assist	Raksha	2023	Increase regional reach across Tier 2 and 3 cities in northern, central, and western India.
Medi Assist	Medvantage/ UnitedHealth Parekh	2023	Strengthen the presence in corporate/ group schemes
Medi Assist	Mayfair We Care, UK	2022	Expand offerings beyond India and provide global access to medical benefits and health plan administration.
Health Care Services Corporation	Trustmark Health Benefits	2022	Adds diversity to the portfolio to offer services to self-funded employers while giving existing health benefits customers and members access to the service and scale of HCSC
Vidal Health	Vipul Corp	2021	Grow pan-India strength and presence across all 3 policy types- retail, group, and govt.
Fairfax	Paramount Health Services	2019-2020	Fairfax Asia purchased 49% of Paramount Health Services for USD 11 million.

Source: Company Reports and Frost & Sullivan

4.5.2 Technology as a Differentiator

India's Health Benefits Administration sector is experiencing rapid changes, and technology has become a valuable resource for companies to stand out from the competition. Implementing advanced technological solutions on a larger scale can help TPAs simplify their operations, improve customer experiences, and increase overall efficiency. In the Indian TPA industry, technology is a crucial factor that sets companies apart and allows them to provide excellent services, ultimately keeping them ahead in the market.

- **Automating and Streamlining Processes:** As IRDAI mandates health insurance claims to be settled within 30 to 45 days, TPAs leverage technology to automate and streamline their core processes, improve efficiency, reduce turnaround times, and meet the mandates as above. Utilizing intelligent workflows, artificial intelligence, and robotic process automation, TPAs can handle repetitive tasks around data upload, data extraction from unstructured sources, and customer support with greater accuracy and speed. By minimizing manual intervention and optimizing process flows, TPAs can enhance productivity, reduce errors, and offer seamless services to their clients.
- **Advanced-Data Analytics:** The abundance of data generated in the TPA industry holds immense potential for actionable insights. With sophisticated data analytics tools, TPAs can extract meaningful patterns, trends, and predictive models from vast data sets. It enables them to identify cost-saving opportunities, optimize network utilization, detect fraud, improve workforce management (forecasting), and make data-driven decisions. By leveraging data analytics, TPAs can provide valuable insights to clients, drive proactive risk management, and deliver customized solutions that meet specific needs.
- **Digital Customer Experience:** Technology is pivotal in enhancing the experience for policyholders and healthcare providers. TPAs create easy-to-use web and mobile apps for submitting claims and tracking their status in real-time. Chatbots and virtual assistants offer personalized assistance, leading to greater satisfaction. TPAs prioritize digital experiences, integration with core systems, and information security to increase employee satisfaction with health insurance, particularly in employer-paid policies.
- **Handling Complexity:** Insurance companies are introducing new and innovative policies as they strive to differentiate themselves. It can sometimes lead to increased complexity, but third-party administrators (TPAs) are developing strategies to manage it. For instance, they are integrating hospitals to cover inpatient and outpatient care and implementing real-time benefits tracking.
- **Integration with every partner in the ecosystem**: With each partner building their independent and disparate systems, it is of paramount importance for TPAs to build capabilities to integrate the member data and payments in the insurer system seamlessly, patient's electronic data containing a medical and financial summary of hospitalization with hospital systems in a structured format, thus ensuring harmonization and interoperability of data and systems. ABHA can potentially revolutionize healthcare in India, and the integration of services and claims could be eased.
- **Data Management and Integration:** Effective data management and integration are critical for TPAs operating in the Indian ecosystem. Technology enables TPAs to efficiently collect, store, and

analyze large volumes of data from various sources, such as healthcare providers, policyholders, and insurers. With robust data management systems and integration capabilities, TPAs can ensure data accuracy, integrity, and interoperability. Integrations or Robotic process automation (RPA) will be good capabilities for TPAs to solve some of these repetitive tasks.

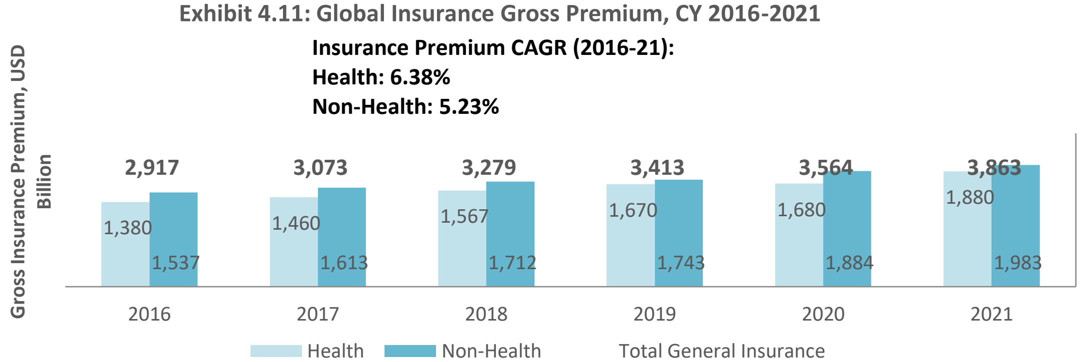
- **Scalability and Availability of Systems**: In the fast-paced and ever-growing Indian TPA industry, the ability to scale operations and ensure the availability of systems is vital for TPAs to meet the evolving demands of clients and stakeholders. TPAs must use technology to ensure system availability and meet client demands. Downtime can harm operations and reputation, so TPAs implement redundant systems, load balancing, and disaster recovery plans. Proactive monitoring and alerts help prevent issues and maximize system availability.
- **Cybersecurity and Data Privacy**: Protecting personal and healthcare data in the TPA industry requires strong cybersecurity measures. Technology can help with secure data storage, encryption, and access controls. Compliance with data protection regulations is also crucial to building customer trust and standing out in terms of data security and privacy.

Technology plays a major role in the TPA industry, and a majority of the leading TPAs in India are harnessing technology to process claims efficiently. Technology and scale will become the key differentiators to operating in this industry, where larger TPAs will benefit and drive consolidation, leaving very few players who can adapt to changes in the industry.

4.5.3 Global TPA Market Growth as an Indication of the Indian TPA Market Growth

According to Swiss Re data, the total global general insurance premiums are forecasted to reach USD 4.1 trillion by 2024 from USD 2.9 trillion in 2016. Within the general insurance segment, healthcare accounted for the largest share of gross premiums in 2021, pegged at ~49% of the share. Moreover, in the last six years, the health insurance segment has outpaced the growth of non-health segments comprising motor, property, liability, etc., witnessing a CAGR of 6.38% instead of a CAGR of 5.23% for the non-health segments.

Exhibit 4.11: Global Insurance Gross Premium, CY 2016-2021



Source: Swiss Explorer, Frost & Sullivan

4.5.3.1 GLOBAL TPA MARKET

Akin to global TPAs, which offer various value-add services, Indian TPAs can also command a higher proportion of premium value as service fees with new services and enjoy accelerated growth.

With the rapid growth in the healthcare insurance sector and the volume of policies, premiums, and claims, the type of policies is also growing along with their complexity. It has resulted in parallel growth in the global TPA market resulting in more than 1000 active TPAs worldwide.

While traditionally, TPAs were involved in more administrative tasks such as claims review, processing, and reimbursement and commanded 2%-3% of premium value. However, their role evolved over time to include policy design, medical care management, health ecosystem development, and frontend customer management, and they started commanding 13%-15% of the premium value. As a result, the global TPA market is expected to be nearly USD 160-200 billion in 2021.

With time, as TPAs become more organized, gain scale, and offer additional value add services to payers, providers, and policyholders (e.g., ambulance service, helpline facilities, rehabilitation programs), they are expected to command a higher premium value[9]. Consequently, the overall market growth is expected to be 7%-8% (CAGR) by 2027.

4.5.3.2 GLOBAL TPA COMPETITIVE LANDSCAPE

4.5.3.2.1 COMPARISON OF INDIAN TPAS VIS A VIS GLOBAL TPAS

Table 4.8: Comparative Analysis of Global and Indian TPAs

Parameters	Global TPAs	Indian TPA
Scope of services	Covers a larger spectrum of general insurance, HR consulting/ compensation management, etc.	Concentrated on healthcare
Range of Services	Coverage across larger parts of the value chain, e.g., telemedicine platforms, health savings accounts, primary healthcare	Traditionally limited to - claims processing and management with a gradual evolution to include promotive & preventive health and value-added services such as pre-medical examinations.
Autonomy of operations	Run independent operations	Operations to support insurers/payers
Regulatory standards	In key markets like the USA, TPAs are subject to state regulations	Stringent regulatory requirements on registration, licensing, and service quality, with an established code of conduct
Provider selection	TPAs have the Authority to admit their members into a hospital of their choice as per the risk covered to curtail the cost of treatment.	The hospital selection is the patient's privilege, and the TPA can only monitor the hospitalization and process the claim.
Promotion of services	TPAs in many countries are allowed to market and advertise insurance products.	TPAs in India are allowed to create awareness regarding the health benefit scheme but are not allowed to advertise and market without the insurer's consent.
Ecosystem	The TPA industry has become home to numerous startups that place greater emphasis on streamlining processes through automation and faster claims handling. Prioritize providing transparent and reliable customer service by adopting various technologies to achieve satisfaction, comprehensive care, and efficiency. Driven by a focus on niche customer segments with a high focus on driving employer health	The TPA industry is witnessing consolidation and streamlining toward driving efficiency. Most of the TPAs are focused on growth driven by increasing market share. At the same time, a few players, like Medi Assist, have moved towards benefit administration services, thus focusing on enhancing customer experience, increasing operational efficiency, and working towards adopting technology to support customization and growth.

[9] Industry KOLs

	plans, preemptive care, etc. These companies share a common focus on patient-centric care and benefit advisory services.	
Technology	Adopting digital solutions has evolved to drive automation/ efficiency and a provided platform that acts as a one-stop-shop solution to support customers. Charles Taylor launched 'InHub' a cloud-based SaaS capability enhancing outcomes within the insurance value chain.	Indian TPA's technology ecosystem is in its early stages. A few leading TPAs, like Medi Assist, have started adopting digital technologies to drive efficiency. We estimate the Indian TPA ecosystem to move towards Platformization in the next 5 years.

Source: Frost & Sullivan Analysis

5 FUTURE OF INDIAN HEALTH INSURANCE DRIVEN BY BAS

5.1 EMERGENCE OF BAS DRIVES SUCCESS IN THE HEALTH INSURANCE INDUSTRY

Indian health insurance industry is on the verge of getting an overhaul. IRDAI's commitment to enabling 'Insurance for All' by 2047, where every citizen has appropriate life, health, and property insurance coverage and every enterprise is supported by appropriate insurance solutions, is one of the huge initiatives towards transforming the health insurance industry.

An increase in penetration of the health insurance industry annually has not only increased the number of lives covered but also increased the number of claims generated and processed within the stipulated timeline.

The growth in the health insurance industry has increased the demand for various other services from the TPAs, which include:

- Focus on automation with both cost and operational efficiency without compromising quality.
- Focus on effective claims management beyond claims processing being done currently.
- Focus on advisory services with customization support on policies and coverage to enhance customer satisfaction.
- Focus on global coverage with IPMI (International Private Medical Insurance), which is largely driven by corporate and industrial sector growth in India. With globalization, most Indian employees are deputed to support their global clients outside India in long-term projects, increasing the need for IPMI.
- Focus on modular services to insurers, including NaaS (Network as a Service), PaaS (Platform as a Service), FWA (Fraud, Waste, and Abuse), etc.
- Focus on technologies and services to enhance customer experience for both hospitals and patients.
- Focus on real-time support and move beyond claims management with marketplace offerings in the health insurance sector.

In the Indian ecosystem, there are very few players who are focused on driving the sector as health benefits administrators. But in the next 5-10 years, Frost & Sullivan expects many more companies to move to become health benefits administrators, while the existing BASs like Medi Assist are likely to become key players leading the sector because of their scale, presence, and technology capabilities.

6 ANNEXURE

Exhibit 3.7: Total Gross Premium Serviced under Health Insurance in India in INR billion	FY 2020	FY 2021	FY2022	FY 2023
Retail	200	258	301	347
Group	259	281	369	464
Group + Retail	458	539	670	812
Govt	49	43	61	86
Total	508	582	731	897

Exhibit 4.3: Total Health Premium Serviced by TPAs in INR Billion	FY 2020	FY 2021	FY2022
Retail	91	78	98
Group	172	184	230
Group + Retail	263	262	328
Govt	36	52	71
Total	299	314	399

Table 4.4 & 4.5: Premium Serviced by Select TPAs under Retail in INR billion	FY 2020	FY 2021	FY2022	FY 2023
Medi Assist	10	11	15	18
Raksha	9	8	7	7
Medvantage	0	0	0	0

Table 4.4 & 4.5: Premium Serviced by Select TPAs under Group in INR billion	FY 2020	FY 2021	FY2022	FY 2023
Medi Assist	60	68	96	122
Raksha	8	6	11	11
Medvantage	7	8	10	6

Table 4.4 & 4.5: Premium Serviced by Select TPAs under Retail and Group in INR billion	FY 2020	FY 2021	FY2022	FY 2023
Medi Assist	70	79	110	140
Raksha	17	14	18	18
Medvantage	7	8	10	6

Exhibit 4.8: Medi Assist's, Raksha's, & Medvantage's Market Share in Gross Premium Serviced across Retail Policies	FY 2020	FY 2021	FY2022	FY 2023
Medi Assist	4.90%	4.25%	4.83%	5.06%
Raksha	4.28%	2.91%	2.48%	1.92%
Medvantage	0.00%	0.00%	0.00%	0.00%

Exhibit 4.7: Medi Assist's, Raksha's, & Medvantage's Market Share in Gross Premium Serviced across Group Policies	FY 2020	FY 2021	FY2022	FY 2023
Medi Assist	23.30%	24.27%	26.01%	26.39%
Raksha	3.10%	2.25%	2.99%	2.42%
Medvantage	2.77%	2.82%	2.82%	1.22%

Exhibit 4.6: Medi Assist's, Raksha's, & Medvantage's Market Share in Gross Premium Serviced across Group and Retail Policies	FY 2020	FY 2021	FY2022	FY 2023

Medi Assist	15.29%	14.68%	16.50%	17.26%
Raksha	3.62%	2.56%	2.76%	2.21%
Medvantage	1.57%	1.47%	1.55%	0.70%

Exhibit 4.8: Medi Assist's, Raksha's, & Medvantage's Market Share in Gross Premium Serviced by Benefits Administrators across Retail Policies	**FY 2020**	**FY 2021**	**FY2022**
Medi Assist	10.78%	14.04%	14.83%
Raksha	9.43%	9.60%	7.62%
Medvantage	0.00%	0.00%	0.00%

Exhibit 4.7: Medi Assist's, Raksha's, & Medvantage's Market Share in Gross Premium Serviced by Benefits Administrators across Group Policies	**FY 2020**	**FY 2021**	**FY2022**
Medi Assist	35.04%	37.13%	41.71%
Raksha	4.67%	3.44%	4.79%
Medvantage	4.17%	4.32%	4.52%

Exhibit 4.6: Medi Assist's, Raksha's, & Medvantage's Market Share in Gross Premium Serviced by Benefits Administrators across Group and Retail Policies	**FY 2020**	**FY 2021**	**FY2022**
Medi Assist	26.67%	30.24%	33.67%
Raksha	6.31%	5.28%	5.64%
Medvantage	2.73%	3.03%	3.17%