

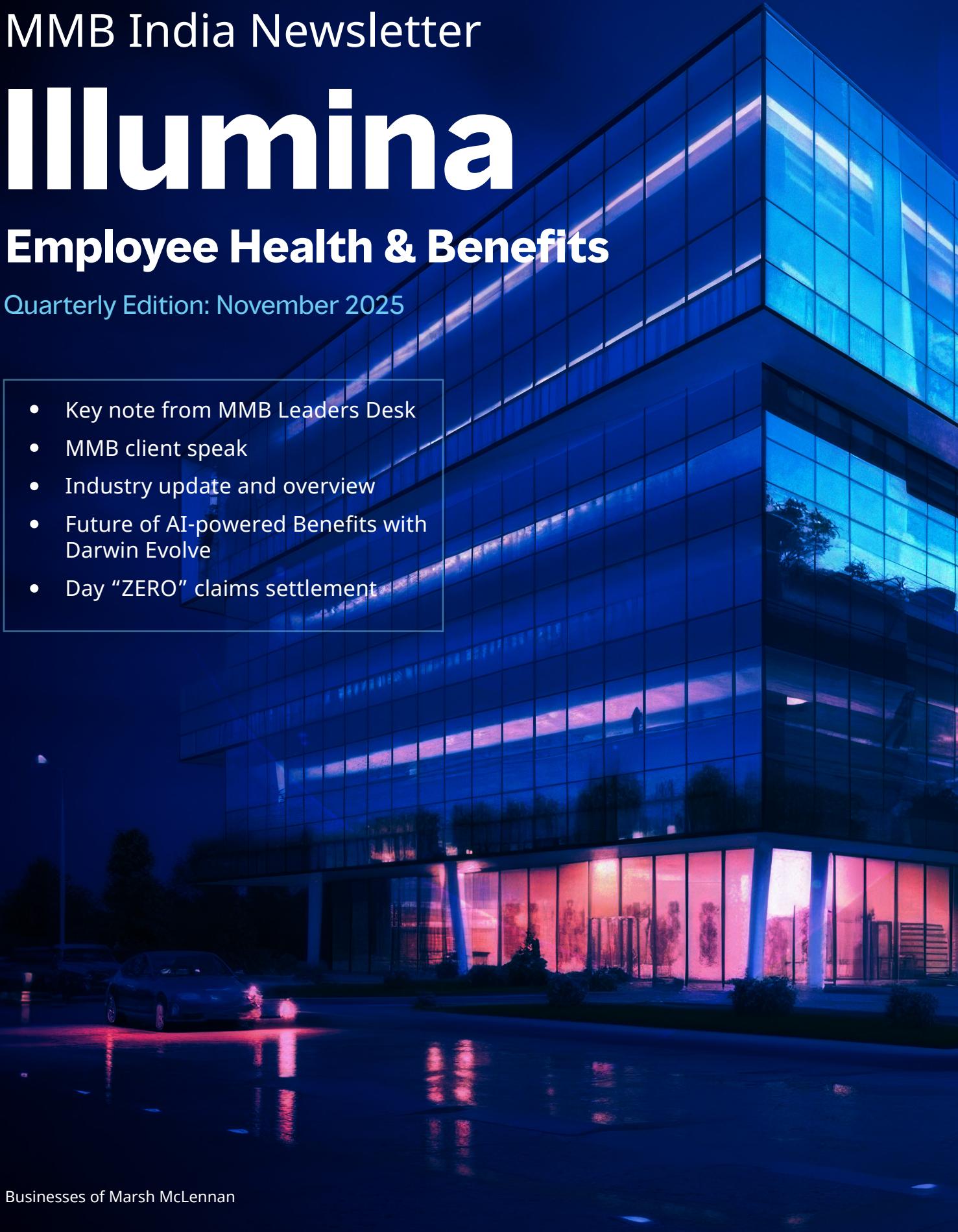
MMB India Newsletter

Illumina

Employee Health & Benefits

Quarterly Edition: November 2025

- Key note from MMB Leaders Desk
- MMB client speak
- Industry update and overview
- Future of AI-powered Benefits with Darwin Evolve
- Day “ZERO” claims settlement



From MMB Consulting Leaders Desk

Navigating the Future: Digitization in the Indian Health Insurance Landscape

Hello readers, as we move beyond the second quarter of this financial year, the health insurance industry continues to experience an exciting and dynamic phase. On the business growth front, year-to-date figures as of 25th September show a 7.7% increase compared to the same period in 2024 for both overall health and group health segments. While this growth is slightly lower than the 8.95% and 11.95% increases recorded in the previous year for overall health and group health respectively, the distribution of group health business across PSU, Private and SAHI companies remains consistent with last year's trends.

From a regulatory standpoint, this financial year has seen the introduction of new health regulations aimed at benefiting retail policyholders. Notably, the reduction of GST from 18% to a lower rate, effective 22 September 2025, was a long-anticipated move by the industry. This significant change aligns with the broader goal of increasing insurance penetration, moving closer to the vision of "Insurance for All by 2047." This development is expected to provide a substantial boost to the retail insurance market. In this newsletter, we provide an in-depth analysis of this regulatory update and its impact on various insurance products.

In this edition of newsletter, we are primarily focussing on the remarkable transformation in benefits administration driven through Artificial intelligence. The article discusses how workforce benefits must transform in response to technological advances, climate change, and demographic shifts. Traditional static benefit programs are evolving into dynamic, AI-powered ecosystems that promote resilience and intelligence, adapting to new workplace realities such as automation, environmental challenges, and longer lifespans.

Darwin Evolve platform: exemplifies this new approach by integrating advanced AI capabilities—such as natural language processing and predictive modelling—into a cohesive data ecosystem that anticipates employee needs and enhances wellbeing.

This article also highlights one of a major Industry shifts in terms of claim processing where in how MMB, in collaboration with its partners, has achieved a **groundbreaking milestone in employee benefits** by implementing **Same Day Claims Settlement-referred to as "Day 0 claim settlements"**- for a leading pharmaceutical

company. Traditionally, claims took up to 30 days to settle, with gradual improvements reducing this to 7 days. Now, claims are processed and paid out on the very same day they are submitted, significantly enhancing employee satisfaction.

I am also delighted to announce the upcoming launch of our annual flagship report "Future of Benefits 2026 and beyond" due to be released in January 2026. This report will cover the emerging shifts in the Insured Benefits offerings and other key MMB solutions around Health and Wellbeing, Flexible Benefits Solution, OPD Insurance, Technology and Communication.

At MMB, we are dedicated to assisting you in achieving the vision of employee health benefits and wellbeing. Please feel free to reach out to your respective Client Executives for assistance. You may also write directly to marshemployeebenefits.india@marsh.com.



Ashutosh Jhunjhunwala

Senior Vice President
MMB India Advisory Leader

Client Speak

Our Strategic Collaboration with Marsh India and the BMS India Relationship Management Team

At BMS, employee health, well-being, and related benefits are of utmost priority and form an integral part of our vision. We believe that investing in employees' physical and mental health not only provides financial assistance during medical emergencies but also contributes to a healthier, more productive workforce with greater longevity. Additionally, it serves as a vital tool to attract, engage, and retain talent. India's healthcare and insurance market continues to evolve rapidly, making it essential to stay informed about market trends. **Our collaboration with Marsh India and the BMS India Relationship Management Team has been instrumental in refining our healthcare and benefits strategy in the country.**

Marsh India has been a reliable source of insights, equipping us to navigate this dynamic environment with confidence. Their expertise in translating complex market developments into actionable strategies has been a valuable asset. In 2024, we conducted a comprehensive plan design review of our group insurance and health check-up packages. Marsh India played a pivotal role by benchmarking our offerings against peer organizations and identifying opportunities to enrich the employee experience. Their insights, grounded in market data, were tailored to specific geographical needs and aligned with BMS's core values. Marsh also supported the implementation process by identifying competitive service providers, facilitating a seamless transition, and ensuring clear communication with all stakeholders.

During the execution phase, the BMS India Relationship Management Team maintained a client-centric approach that closely aligns with our emphasis on employee experience. The team consistently demonstrated dedication and adaptability in addressing queries, responding to employee claims with speed and accuracy, and supporting evolving needs. This was particularly evident in Hyderabad, where our employee base has been expanding rapidly. The team conducted multiple on-site sessions in collaboration with service providers to raise awareness of our benefits

programs. These sessions were informative and successful in building trust by creating direct connections between employees and service providers. Through these efforts, program visibility increased significantly, and employees gained greater confidence in the benefits system. The strong turnout at our on-site sessions and the noticeable increase in health check-up participation demonstrate how our employees are embracing these enhancements, indicating a growing sense of well-being and belonging across the organization.

In summary, our collaboration with Marsh India and the BMS India Relationship Management Team has been highly positive. Their strategic guidance, market expertise, and unwavering commitment to employee well-being have greatly contributed to our achievements. Their focus on responsiveness, transparency, and active engagement embodies the values we prioritize in vendor collaborations, and closely reflects BMS's core values of integrity, urgency, and accountability. We look forward to continuing this productive partnership and achieving further successes together.



Tokumasa Sugiyama

Senior Manager,
Benefits & Wellbeing Advisor, APAC & Japan
Product and Process Design
Bristol Myers Squibb

Industry Update

Every edition we endeavor to update our readers with recent updates in the healthcare and insurance industry. Below are few of the recent and significant developments in the industry:

As of 22 September 2025, the Government of India has implemented a significant change in the Goods and Services Tax (GST) structure concerning insurance premiums. This reform, part of the broader GST 2.0 overhaul, exempts all individual life and health insurance premiums from GST, reducing the tax rate from 18% to 0%.

Key Highlights of the GST Exemption on Insurance

- Coverage: The exemption applies to all individual life and health insurance policies, including term life, Unit Linked Insurance Plans (ULIPs), endowment plans, family floater policies, and their reinsurance.
- Group Policies: Group insurance policies, such as employer-sponsored health or life insurance, remain subject to the standard 18% GST rate.
- Effective Date: The new GST rate became effective on 22 September 2025.
- Premium Payment Timing: The applicable GST rate is determined by the date of premium payment. For instance, if a policyholder pays the premium on or after 22 September 2025, the 0% GST rate applies, even if the policy renewal date is earlier.
- Policy Renewals: Policyholders renewing their individual life or health insurance policies on or after 22 September 2025, will benefit from the GST exemption.

Financial Implications for Policyholders

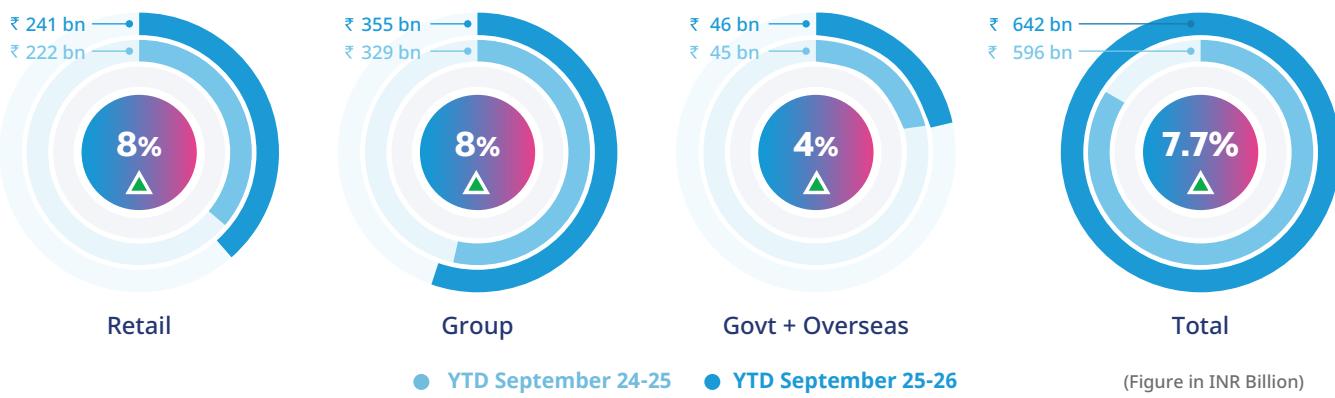
- Premium Reduction: The GST exemption directly lowers the upfront cost of insurance premiums. For example, a health insurance policy with a ₹15,000 annual premium, previously costing ₹17,700 including GST, now costs ₹15,000. Similarly, a ₹25,000 term life policy might reduce to ₹25,000 from ₹29,500.
- Average Savings: Policyholders can expect to save between ₹900 and ₹3,050 annually, depending on the policy type and premium amount.

Industry Statistics



Industry Statistics

Health Insurance Business Distribution



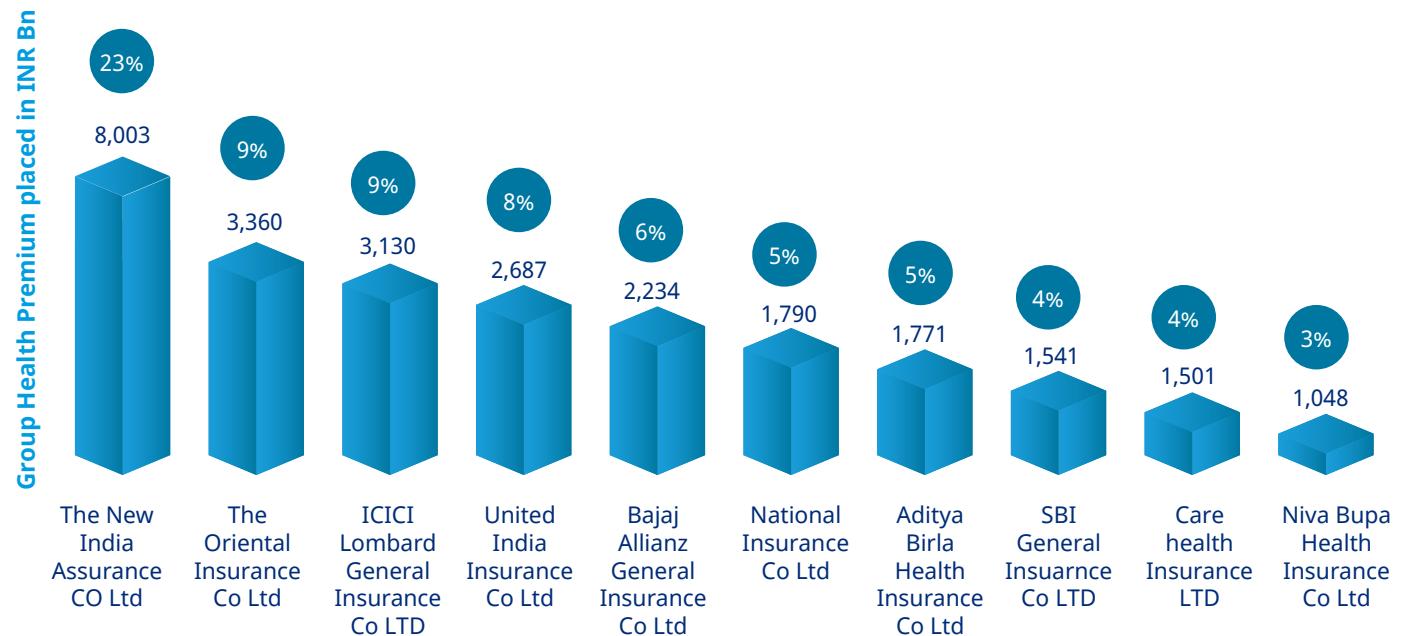
7.7% YOY growth seen across the health insurance industry compared to 7.3% YOY growth for overall general insurance industry.

Group Business Distribution

Company	YTD March 24-25		YTD March 25-26		YOY Growth
	GWP	Market Share	GWP	Market Share	
Public Sector Companies (PSU)	146	44%	158	45%	8%
Private Companies (PVT)	133	40%	145	41%	9%
Stand alone Health Company (SAHI)	50	15%	52	15%	4%
Grand Total	329	100%	355	100%	8%

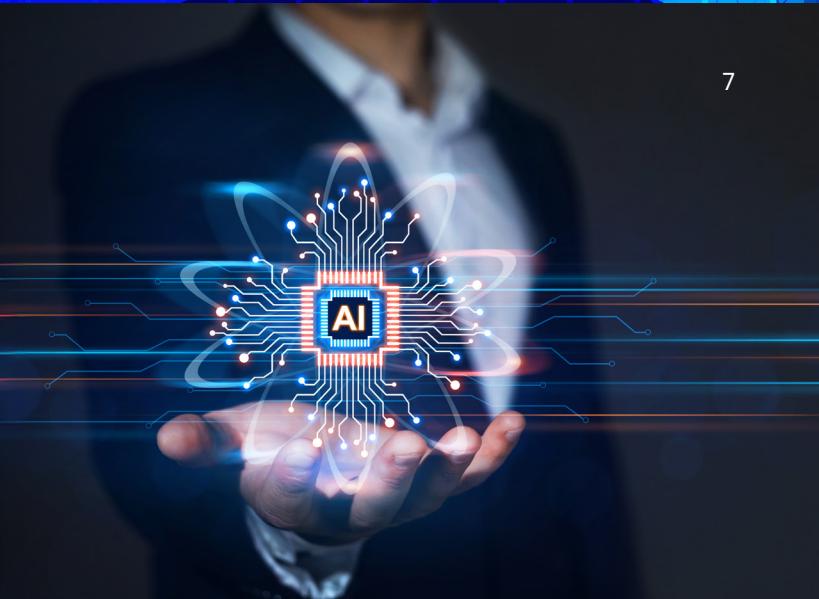
Nearly constant group health market shares across PSU/PVT and SAHI insurance player over last 2 years.

Top 10 Organizations by Group written Premium (INR Bn) and Group Health market share



Evolve to Engage

**Future of AI-powered Benefits with
Darwin Evolve -
Gaurava Gupta,
Senior Vice President,
India & IMEA Leader, MMB Digital**



We are entering an era where every element of human work is being rewritten by technology, climate change, and demographic shifts. These factors like extreme heat, pollution, declining fertility, low nutrition content in crops and vegetables, and the march of artificial intelligence and robots at workplace are reshaping what it means to protect and empower a workforce. As longevity increases and automation accelerates, benefit programs can no longer be static—they must also evolve into living ecosystems of resilience and intelligence.

"The next decade belongs to empathetic algorithms"

Future-ready benefits cluster around six pillars:

Climate Resilience & Environmental Health

- Climate Adaption Allowance – cooling gear, air purifiers
- Heat-Safe Workplace Design – smart air and UV sensors
- Green Commute Credits – low-emission transport credits
- Nature Reconnection Days Health & Nutrition – paid eco-volunteering

Physical Health, Nutrition & Mobility

- AI nutrition Coaching linked with wearables
- Corporate Mobility Stipend – gym, bikes, physiotherapy
- Hydration and Recovery Pods in offices
- Mind-body Integration Leave for holistic wellness

Family Building & Longevity Care

- Inclusive Fertility and IVF Coverage
- Eldercare Concierge & Longevity Screening
- Menopause/ Andropause Care Programs
- Intergenerational Housing Stipends

Skills & Automation

- AI Co-learning Credits for tech skills
- Digital Apprenticeships with AI workflows
- Skill Wallet & Reskill-to-Retain Bonuses
- Future Work Sabbaticals for re-education

Financial Security & Workforce Equity

- On-Demand Pay & Financial Resilience Coaching
- Affordable Housing & Mobility Loans
- Universal Basic Benefits (UBB) for Gig Workers
- Equity-for-all Micro-Share Policy

Human-Robot Collaboration & Safety

- Cobot Safety Certification & Exosuit Subsidy
- AI Incident Insurance coverage
- Digital Twin VR/AR Safety Simulations
- Human-in-Loop Mental Health Checks

Employers will transition from reactive coverage to proactive enablement—protecting well-being, enhancing adaptability, and ensuring workforce sustainability.

Following is a phased rollout plan for benefit categories.

Each ● indicates primary rollout year; lighter ● indicates scaling or optimization phase.

Benefit Category	2026	2027	2028	2029	2030
Climate & Environmental Health	●	●	●		
Physical Health & Nutrition	●	●	●		
Family Building and Caregiving	●	●	●	●	
Skills and Automation	●	●	●	●	●
Financial Security & Equity	●	●	●	●	●
Human - Robot Collab		●	●	●	●

The Data Dilemma: Why Structure Matters

In the evolution toward an AI-empowered, empathetic benefits ecosystem, the presence of structured, interoperable data is not a technical luxury, it is a precondition for intelligence, equity, and personalization. Unstructured data, trapped in fragmented HR and benefits silos across Consultants, Brokers, Insurers, TPA, Health Tech Partners and disparate HRIS systems denies AI the semantic and temporal coherence it requires to model human behavior. Structured data, by contrast, establishes the ontological scaffolding for contextual awareness enabling systems to correlate health utilization patterns, financial stress indicators, caregiving responsibilities, and productivity signals across time and demographics. A unified “single-hive” employee-facing platform akin to an enterprise nervous system serves as the data substrate where every benefit interaction, from enrollment to wellbeing engagement, is codified in machine-readable and ethically governed formats. Such a hive model integrates API-driven interoperability across insurers, payroll, wellness vendors, and behavioral analytics engines, allowing AI to move from descriptive analytics (“what happened”) to prescriptive empathy (“what should we care about next”). In this architecture, Mercer’s Darwin Evolve represents a paradigmatic shift. It is embedded learning loops, NLP-driven sentiment parsing, and predictive modeling

engines exemplify how structured multimodal data can be leveraged for proactive, human-centric interventions. Without this structured foundation, AI remains reactive, limited to automating transactions rather than cultivating understanding. With it, organizations gain a cognitive ecosystem capable of continuously inferring intent, risk, and emotional state governing wellbeing through anticipatory insight rather than retrospective response. Thus, the imperative for the coming decade is clear: the future of employee benefits will not be determined by the generosity of coverage, but by the integrity, interoperability, and emotional intelligence of the data architecture that sustains it.

Lack of Structured Data isn’t just a technical gap – It’s the barrier between Automation and Empathy. AI without structured context is efficient but blind; structured data gives it emotional intelligence. Platforms like Darwin Evolve are closing that gap – turning HR from a reactive administrator into a predictive wellbeing architect.

Find out more about Darwin and Mercer’s AI Roadmap here. Write to us at mmbdigital@marsh.com

MMB Leads the Way – Day “ZERO” claims settlement



The world is becoming more ambiguous today than ever before. With the advent of AI and ML, agility and speed are a must to stay ahead of the curve. Operational agility is as important and responses are expected to be lightning fast. Within the employee benefits gamut, quick claims settlement is a must have, and MMB, along with its partners has achieved something unheard of — Same Day Claims Settlement for a leading Pharma Company.

Yesteryears, the claims were expected to be settled within 30 days of submission. The TPAs started reducing the SLAs to 15 days, then 10 Days, 7 Days, and now here we are – Same Day.

For companies, mastering the art of quick resolution of claims (what we term here as “Day 0 claim settlements”, i.e., addressing and settling Health Insurance claims at the earliest possible moment) is an employee delight.

The Goal and Ambition was thought around 7 Months ago, and discussed with the Insurer, TPA, MMB and the client. A project team was constituted, and daily cadences and updates were set. Robust and Agile technology along with seamless integration was required for this feat to be achieved. Over the period of 7 Months, and more than 5000 Man Hours, with Multiple API Integrations, the project went live, with a pleasing outcome for all the parties involved.

One of the key objectives of the organisation's health & benefits program was to widen the smiley curve of our employees & their families. We also helped in the successful introduction of their industry-first AI-powered Health Advisory model, at the fingertips of the employees. They now have a second remarkable industry-first achievement and a new benchmark in the employee benefits spectrum – “Day Zero Settlement”. While Cashless Claims have seen class-leading timelines for settlement, Day Zero Settlement applies to reimbursement of IPD claims whereby all claims processing and settlement in favour of the employee are done on the same day. Effectively, a claim submitted for say, INR 500,000 at 1130 am, and the member receives the payment into the account by 7 pm in the evening.

Implementation of such one-of-its-kind industry-leading practice was a collective achievement and learning for us as the client's trusted partners.

The key takeaway: not every claim has to become a drawn-out saga—many can be resolved swiftly if the process is in place which leads to better employee experience and in turn “widens the smiley curve of employees & their families” – the true objective of this project.



Project Team:**Core Team:**

Dr. Tripti Verma
Muskaan Ralhan
Shreya Bagrodia
Tanushree Sinha

Design Team:

Shraddha Acharekar
Shantanu Sohoni

Marketing Team:

Shilpa Lakhli

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