

# MARSH

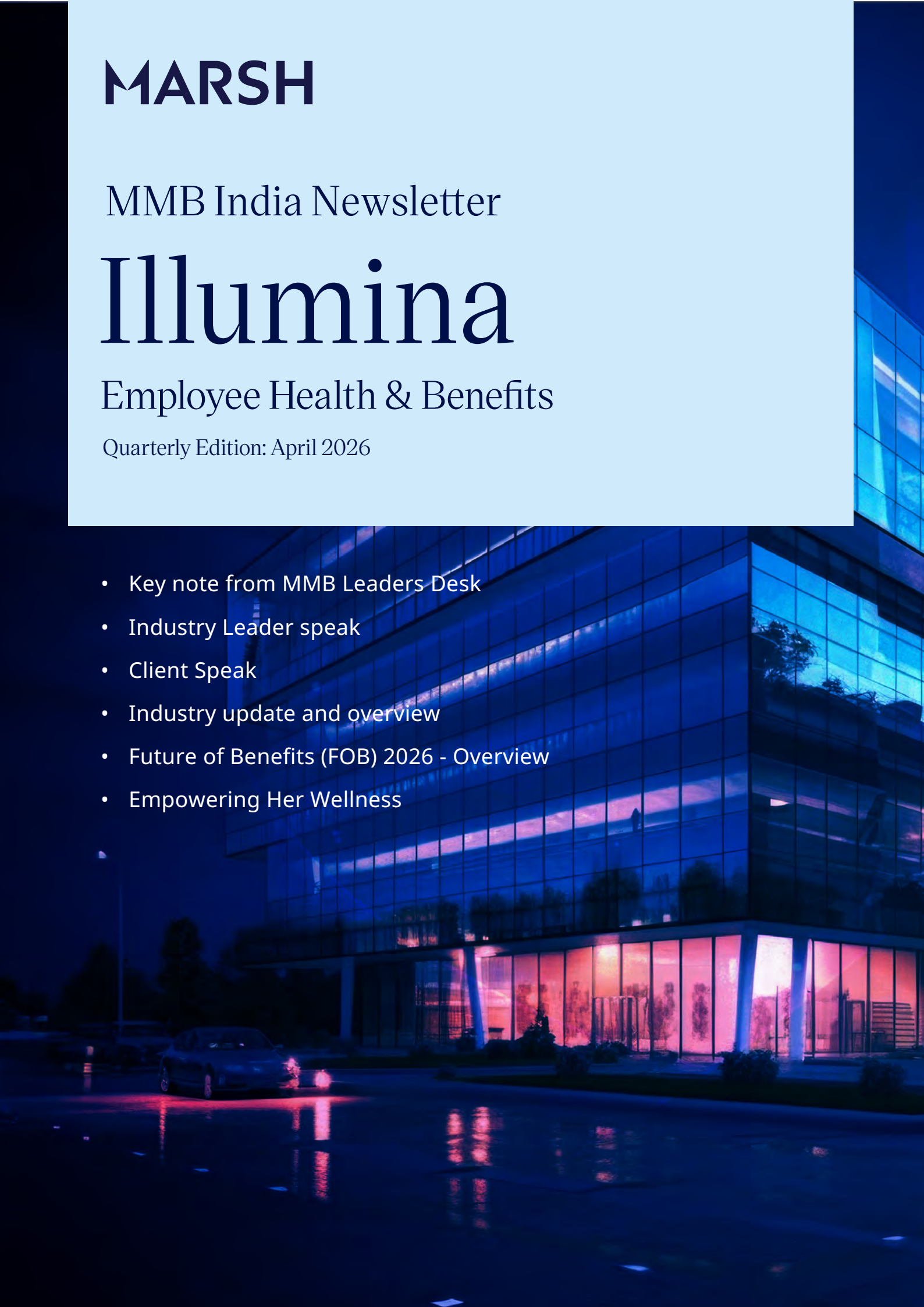
MMB India Newsletter

# Illumina

Employee Health & Benefits

Quarterly Edition: April 2026

- Key note from MMB Leaders Desk
- Industry Leader speak
- Client Speak
- Industry update and overview
- Future of Benefits (FOB) 2026 - Overview
- Empowering Her Wellness



# From MMB Consulting Leaders Desk

---

Hello Readers,

The year 2026 incepted with groundbreaking launch of Marsh India's flagship report "Future of Benefits 2026". Based on the insights from 700+ organizations and 82,000+ employees, the report presents strategic insights on emerging health and wellbeing priorities, future of benefits financing, increasing role of AI and data in benefits strategy and how benefit managers are reshaping their benefits program. The report launched alongside an interactive Tableau dashboard, catalyzed candid, high-impact conversations across eight different cities in India, bringing together organizations of varied industries and sizes. Client discussions not only affirmed the report's findings but demonstrated that these shifts are already underway, driving the adoption of more resilient, data-driven benefits strategies. In this edition we give our viewers a snippet into some of these key findings from this report. To get access to detailed report and dashboards you may reach out to your respective client executive or you may also write directly to [marshemployeebenefits.india@marsh.com](mailto:marshemployeebenefits.india@marsh.com)

This edition of newsletter, also encompasses a highly informative and insightful article from Mediassist leadership giving a walkthrough of how digitization, AI and predictive analytics has changed the face of claims processing bringing in more efficiency, transparency and accountability and gradually shaping the future of claims processing.

We also bring to our readers an interesting read from Mr Rajiv Sethia, C&B Head at Persistent systems emphasising on the relevance of personalization of benefits, OPD insurance, need for holistic wellbeing at persistent technologies and how an effective benefit strategy in the organization proved to be a win win for the organization and its employees.

On the industry front overall insurance growth has been steadily upwards with 14% growth in YTD Jan 26 vs YTD Jan 25 with ~17% growth seen in retail health business owing to GST slash and 12% growth rate in group health business. However group health insurance continues to cover largest number of lives year on year as compared to individual health insurance with ~275mn lives covered under group health insurance(GHI) vs ~60mn lives covered

under retail/individual health insurance(RHI), with group health operating at 92% incurred claims ratio vs retail health loss ratio operating at 77.9% incurred claims ratio as on 24-25\*.

Hope you find this edition insightful and engaging. Please feel free to share us your feedback at [marshemployeebenefits.india@marsh.com](mailto:marshemployeebenefits.india@marsh.com). At MMB, we stay committed to assist you in achieving the vision of employee health benefits and wellbeing.

\*<source: IRDAI Annual report 24-25>



**Ashutosh Jhunjunwala**

Senior Vice President  
MMB India Advisory Leader

# Industry Leader Speak

---

## From Manual Claims to Intelligent Systems: How AI Has Redefined Healthcare Administration

Over the last five years, claims processing in India's health benefits ecosystem has undergone a fundamental shift. What was once a largely manual, physical document-heavy function has evolved into a technology-led system that is faster, more transparent, and more accountable. This transformation has been driven by a series of structural changes in how data, decisions, and accountability come together.

Importantly, this shift has unfolded in an environment that has become more complex. Continuous expansion of benefits, personalization, and the introduction of outpatient benefits have led to a massive increase in claim frequency and severity. Rising medical costs, the corporatization of healthcare, and heightened scrutiny on underwriting assumptions have placed unprecedented pressures on the system. Reinvention has not been optional; it has been necessary, built on the back of ecosystem-level integrations and AI.

### **Five years ago: A system designed to cope, not to anticipate**

Until recently, claims administration was built to manage volume rather than velocity or insight. Processes were fragmented across insurers, hospitals, and employers. Decision-making relied heavily on manual checks, static rule engines, and retrospective audits.

This led to familiar challenges. Turnaround times were long, especially during peak periods, and visibility across the claim lifecycle was limited. Fraud, waste, and abuse were often identified only after payments had been made. While the system functioned, it did so with friction, affecting patient experience, operational efficiency, and trust.

### **Electronic workflows as the first structural shift**

The first meaningful inflection point came with end-to-end digitization. Electronic claim workflows, deeper hospital integrations, and centralized platforms created the foundation for a more connected ecosystem.

These workflows reduced paperwork and cut down delays caused by the physical movement of paper and people. This is the stage where most of the industry currently operates.

### **Digitization as the second structural shift**

Digitization was not just about reducing paperwork; it enabled the creation of structured, high-quality data at scale. Even as hospitals continue to share poor-quality scans or handwritten documents, the underwriting is becoming more granular. At Medi Assist, approximately 70-80% of bills are digitized, enabling the granular application of underwriting intents.

Once data became digital and interoperable, the system moved beyond basic automation. Today, 85% of cashless claims at Medi Assist are digitally submitted, and 70% of total inpatient claims are cashless. This has translated into tangible outcomes: 62% of admissions and 52% of discharges are now processed in under 30 minutes. These metrics reflect real reductions in waiting time and uncertainty for patients and providers.

## AI and predictive analytics: Shifting to anticipation

The most significant change has been the application of AI and predictive analytics. Modern systems no longer treat every claim the same. They assess risk in real-time based on historical patterns, provider behavior, and claim attributes. Low-risk claims move through straight-through processing, while higher-risk cases receive focused scrutiny. This has shifted administration from a reactive function to a learning system, allowing human expertise to be applied where it matters most.

## Strengthening fraud, waste, and abuse management

Traditional controls relied on manual audits and post-facto checks, which were often too late. To address this, we introduced MAven Guard, an AI-led integrity framework designed to transition from retrospective checks to real-time prevention. By analyzing claims using behavior-based intelligence and over 160 evaluation parameters, it identifies risk signals early.

At Medi Assist, this approach helped prevent close to ₹400 crore in potential leakage in the last financial year. It enabled the detection of two to three times more fraud while reducing manual referral rates by 25-40%. The objective is not to make the system more restrictive, but more precise. Genuine claims move faster while controls tighten only where risk truly exists.

## What tech adoption means for the ecosystem

For patients, these changes mean faster approvals. A critical example is Raksha Prime, our AI-powered discharge solution. Hospitals often take 3-4 hours to finalize bills, after which the TPA process begins. While we brought average processing times under 40 minutes, patients still waited for the TPA-hospital conversation to conclude. Raksha Prime eliminates this "discharge anxiety" by using analytics to predict out-of-pocket expenses accurately. Patients can walk out within minutes of their doctor's advice, leaving the paperwork to the TPA and hospital.

For hospitals, this means fewer back-and-forth interactions and quicker bed churn. Raksha Prime has enabled over 4 lakh discharges (with 2 lakh processed as of mid-2025) across 6,000 hospitals. It currently accounts for nearly 18% of Medi Assist discharges, earning a member rating of 4.7 out of 5. For insurers and employers, intelligent administration delivers better cost control and the ability to scale without proportional increases in manpower. For administrators, it reinforces the responsibility to strengthen the integrity and sustainability of the system.

## The Road Ahead

The future of claims management will be shaped by systems that are intelligent, deeply integrated, and increasingly invisible. Provider-led workflows, enabled through platforms like MAgnum, will play a growing role in reducing discharge friction while maintaining trust.

The goal is not technology for its own sake, but trust at scale. As the administrative burden becomes invisible, human care becomes more immediate. Over the last five years, we have seen how digitization and applied intelligence can reshape outcomes. At Medi Assist, we see this as an ongoing responsibility to evolve with the ecosystem we serve.



**Satish Gidugu,**  
CEO, Medi Assist

# Client Speak

## Evolving Employee Benefits in India's IT Sector

Employee benefit expectations within India's IT services sector have undergone a fundamental shift. The workforce today spans multiple generations, each with distinct needs—and this diversity has made flexible, personalized benefits not just desirable but essential. Industry data indicates that 37% of employers have expanded voluntary benefit options, and flexible benefits adoption in India is growing at a striking 33% CAGR, significantly outpacing the APAC average of 12%. This accelerated growth reflects a clear trend: employees expect choices, control, and relevance in the benefits they receive.

One of the strongest markers of this change is the rising uptake of voluntary top up insurance. At Persistent Systems, we introduced optional top up health insurance beyond the company-sponsored cover. Once employees clearly understood the added protection—and the realities of medical inflation—enrollment rose from under 10% to nearly 30%, demonstrating both awareness and willingness to invest in one's own financial security. This mirrors broader market behavior, where employees increasingly "build their own" protection levels based on family structure, health risks, and personal priorities. For employers, voluntary benefits also offer a balanced way to enhance coverage while maintaining sustainable benefit costs.

Beyond financial protection, employees today expect benefits that support their holistic wellbeing, not just treatment after illness. A growing number of organizations now include Emergency Medical Response services—a simple but powerful offering that provides coordinated support during critical health events. With a single helpline assisting in ambulance coordination, hospital intimation, and real-time guidance, this benefit fills a longstanding gap in India's emergency-care ecosystem. Even when used infrequently, its presence offers significant peace of mind to employees and their families—signalling that employers are invested in employee safety during moments that truly matter. Preventive care and outpatient access are another area of rapid transformation. Industry reports show a 30–40% increase in OPD and preventive health benefits across sectors, driven by employee demand for easier access to everyday healthcare needs such as doctor consultations, diagnostic tests, and medicines. Mental health support has become especially prominent: 74% of employers now provide structured mental wellbeing programs, including counselling, stress management resources, and

digital mental health tools. This marks a dramatic cultural shift from just a few years ago, when mental health support was limited or treated as peripheral. Digital health platforms, teleconsultations, and virtual wellbeing sessions—such as yoga, meditation, or music-based stress relief workshops—have seen high employee engagement, proving that wellbeing offerings are both valued and utilized.

Taken together, these trends highlight a profound change in philosophy. Employees no longer view benefits as static entitlements—they see them as enablers of security, convenience, health, and peace of mind. They look for programs that reflect their lifestyle choices, personal circumstances, and long-term aspirations. The most successful organizations recognize this and are designing benefits that evolve as employee needs evolve. Throughout this transformation, the MMB team has played a crucial enabling role—from benchmarking market practices and guiding benefit design, to helping organizations like Persistent Systems structure flexible benefits, introduce innovative offerings, and integrate solutions that improve the employee experience. Their advisory support, analytics, and technology platforms have helped translate evolving expectations into practical, sustainable benefit programs.

As the IT services industry continues to grow and diversify, one conclusion is unmistakable: the era of one-size-fits-all benefits is over. The future lies in benefit ecosystems that are flexible, inclusive, preventive, and deeply aligned with employee expectations. Organizations that embrace this shift—supported by partners like MMB, will not only strengthen their employer brand but also foster a workforce that feels truly supported, valued, and empowered.



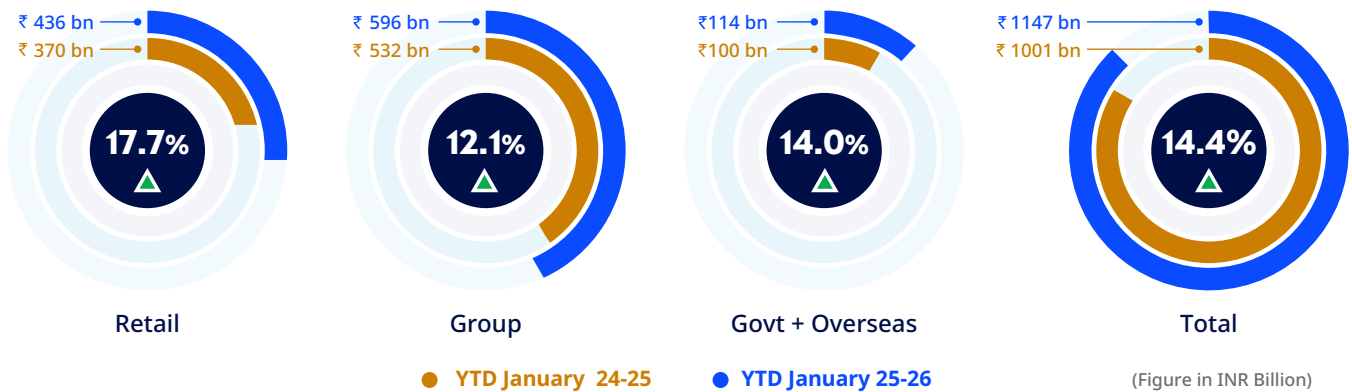
**Rajiv Shethia**

Head - Compensation & Benefits  
Persistent Systems

# Industry Statistics

## Industry Statistics

### Health Insurance Business Distribution



14.4% YOY growth seen across the health insurance industry compared to 9.3% YOY growth for overall general insurance industry.

### Group Business Distribution

Figure in Bn	YTD January 24-25		YTD January 25-26		YOY Growth
	GWP	Market Share	GWP	Market Share	
Public Sector Companies (PSU)	240	45%	265	45%	10%
Private Companies (PVT)	210	39%	238	40%	14%
Stand alone Health Company (SAHI)	82	15%	93	15%	13%
<b>Grand Total</b>	<b>532</b>	<b>100%</b>	<b>596</b>	<b>100%</b>	<b>8%</b>

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

# Industry Update



## NPS Swasthya Pension Scheme launched in India

The Pension Fund Regulatory and Development Authority (PFRDA) has launched NPS Swasthya Pension Scheme which will provide financial support for out-patient and in-patient medical expenses of the subscribers. PFRDA in a circular says NPS Swasthya Pension Scheme will be a contributory pension scheme which will be offered to the citizens of India on a voluntary NPS Swasthya Pension Scheme, which is being introduced as a specific sector scheme under the NPS will work within the framework of the Multiple Scheme Framework (MSF), says PFRDA in the circular.

NPS Swasthya Pension Scheme can be launched by pension funds (PFs), subject to prior approval of the authority, strictly as a Proof of Concept (PoC) for a limited duration and should operate in a controlled environment under the Regulatory Sandbox Framework, says PFRDA in its circular.

- 1 Eligibility:** Any Indian citizen can join the NPS Swasthya Pension Scheme. Subscribers must also have a Common Scheme Account under NPS. If one does not exist, it will be opened mandatorily.
- 2 Fees and charges:** All applicable fees, including charges payable to Health Benefit Administrators (HBA) or Third-Party Administrators (TPA), will be governed by the MSF and disclosed transparently.
- 3 Contributions and investments :** Subscribers can contribute any amount, as per NPS rules applicable to the non-government sector. Contributions will be invested by Pension Funds in line with MSF investment guidelines.

Subscribers aged above 40 years (excluding government sector subscribers) can transfer up to 30% of their self or employee contributions from their Common Scheme Account to the NPS Swasthya account.
- 4 Withdrawals for medical expenses :** Partial withdrawals are allowed for both OPD and hospitalisation expenses. At any point, subscribers can withdraw up to 25% of their own contributions. There is no limit on the number of withdrawals, and no waiting period applies, once a minimum corpus of ₹50,000 is accumulated.
- 5 Premature exit for critical illness :** If medical expenses in a single hospitalisation exceed 70% of the total corpus, the subscriber can opt for a premature exit with 100% lump-sum withdrawal, irrespective of corpus size, strictly for meeting medical costs.
- 6 Claim settlement and exit rules :** Withdrawn amounts will be paid directly to the HBA, TPA or hospital, based on valid claims and invoices. Any surplus amount after settling medical expenses will be transferred back to the subscriber's Common Scheme Account.

In all other cases, standard NPS exit rules for All Citizens will apply after transferring funds to the Common Scheme Account.
- 7 Grievance redressal and data consent :** Pension Funds, along with HBAs or TPAs, will set up a grievance redressal system. Pension Funds will be responsible for resolving complaints, while Central Recordkeeping Agencies (CRAs) will support servicing.

For claim processing, subscriber data may be shared with hospitals or administrators. Explicit digital consent will be obtained from subscribers, in line with the Digital Personal Data Protection Act, 2023.

# Future of Benefits (FOB) 2026 - Overview

The world of employee benefits is rapidly changing and ever evolving. Significant transformative shifts are redefining how organizations protect, support and empower their workforce amid rising protection costs and the new design choices shaping tomorrow's benefits strategy.

The future of Benefits report 2026 is a testament to this paradigm shift, built on the foundation of the FOB 2023 report it captures the multi-year transformation journey in India's employee benefits ecosystem.

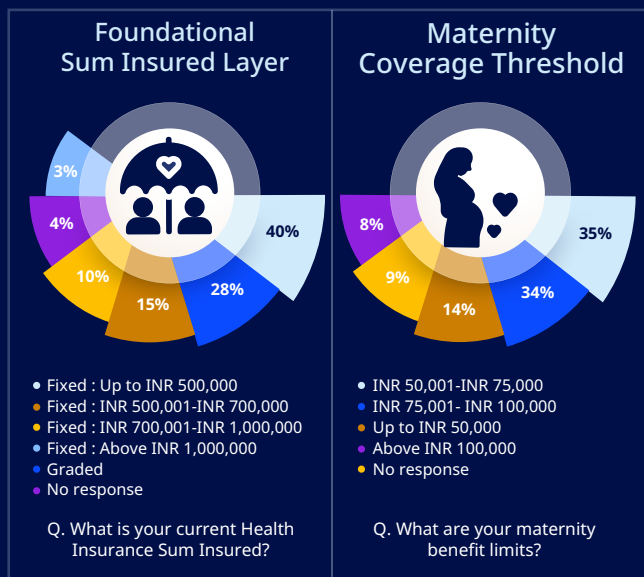
The report surveyed over 700 employers, with strong representation from enterprise-scale organizations, covering approximately 3.5 million employees and more than 8.5 million insured lives across 14 industries. In a first-of-its-kind initiative for the industry, it is complemented with a robust employee survey of 82,000+ employees. This dual-lens approach enables a true 360-degree view of benefit priorities, gaps and opportunities, capturing where employer intent and employee experience converge, and where they diverge.

**The findings highlighted five defining themes: the strengthening of core protection across health, life and accident; the demand for flexibility and personalization of benefits; the acceleration of preventive and continuous care models; and the rapid convergence of technology, analytics and communication as the new operating system of benefits delivery.**

## Health Insurance at it's Core

While health, Accident, and Life insurance are core to any benefits offering, this triad of protection is witnessing continuous momentum with accelerating coverage.

The stats also reflect this shift with 41% of employers having enhanced their Sum Insured in last 12 months and 42% organizations on fixed sum insured model offer higher coverage ranging INR 600,000- INR 1,000,000.



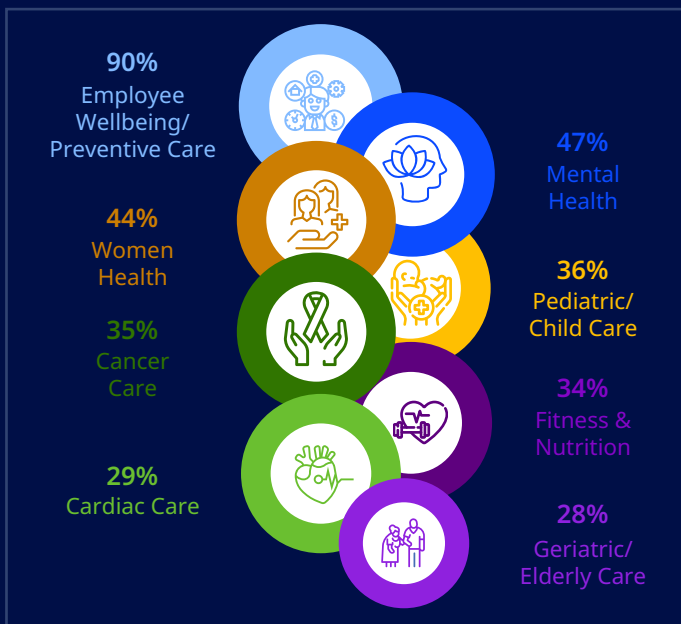
## Flexible Benefits Landscape

- As per FOB Survey, 1 in 3 organizations have adopted flexible benefits and 25% organizations voiced they are now gravitating towards non-conventional flexible benefit models.
- Personalization through Flexible benefits is the most preferred choice of benefit within Gen Z and Millennials.
- Adoption momentum is strongest in BFSI (37%) and Pharma (10%) while IT/ITES/Ecom leads the flex space with 32% prevalence.

## Accelerating rise of OPD insurance signals a vital reframing of benefit priorities:

Access to preventive healthcare is no more a choice but a necessity.

- 43% of employers extend OPD coverage with 75% organizations actively sponsoring the benefit.
- 57% of organizations offer INR 15,000 OPD wallet and 20% offer INR 15000-25,000 OPD wallet.this dynamic.



## Benefits Technology: Digital heartbeat of employee care

- 47% surge in adoption of benefits technology with
- 7 in 10 employers seeking unified management platforms.
- AI adoption is gaining ground, with 1 in 4 organizations leveraging AI to transform benefits into data-driven, predictive functions.

## Riding the GCC Expansion Wave

Another structural shift is the rapid growth of Global Capability Centers in India. Global organizations now view India as a strategic talent hub. Their benefit strategies often draw from global parent philosophies, and they continue to be early adopters of innovative and inclusive solutions.

Reflecting GCC’s progressive outlook and readiness to adopt emerging benefits, the momentum shows with 1 in 2 GCC having OPD adoption and 1 in 3 offering flexible benefits.

## Future of Benefits

Keeping in view the trends above, the Future of Benefits would revolve around offering holistic well-being solutions aiming towards building a healthy and engaged workforce. While personalization of benefits will drive future benefit discussions, cost control through effective plan design and co-sponsorship strategies will ensure affordability and sustainability in the long run.

We at Marsh are committed with you in achieving your benefit philosophy, be it health insurance, OPD insurance, flexible benefits, workforce healthcare management.

To get access full report with complete details and insights, please reach out to

[marshemployeebenefits.india@marsh.com](mailto:marshemployeebenefits.india@marsh.com)

# Empowering Her Wellness

In today's fast-paced world, women face health risks that were uncommon decades ago. Stress, long work hours, sedentary routines, pollution and poor diet increase vulnerability at every stage of life. In India, cervical and breast cancers are among the most frequently diagnosed cancers in women; women are also about twice as likely to be overweight or obese. Birth defects remain a major public health concern, with an estimated 1.7 million babies born with congenital anomalies each year.

Every woman's health journey is unique and requires tailored, stage-appropriate solutions that prioritize prevention, early detection and peace of mind. At Marsh, we offer comprehensive, women-centred programs for your female workforce and their spouses — designed to deliver true 360° protection across critical life stages.

## Our solutions include:



### Solutions for early adulthood, fertility and motherhood

A comprehensive women's health solution offering specialist tele-consultations, personalized wellness plans, diagnostics, and screenings that address key health needs across life stages, including PCOS management, pregnancy care, and menopause support.

#### Top Highlights

- Emphasizes holistic wellness with unlimited sessions, digital health assessments, and community support.
- Services include tele-consultations with specialists, personalized wellness programs, diagnostics, and screenings..



### Holistic & Family-Centric Protection

An all-encompassing health solution focusing on proactive, preventive care with mental health support, personalized diet plans, real-time wellness tracking, and specialized programs for women, children, and cancer care.

#### Top Highlights

- Digital Health Score: AI-led assessments for Lifestyle, Mental Health, and Cancer Risk..
- Real-time Tracking: Integrated health trackers for sleep, period flow, ovulation, and weight



### Solutions for Women in Leadership

A comprehensive care program for women leaders. A single care journey for the health issues women leaders face most: Hormones, Chronic conditions, Menopause and Women Cancers.

#### Top Highlights

- Lifelong women's health support including peri/menopause care and continuous cancer care with risk assessments and rehabilitation.
- Specialized women's health screenings such as hormonal profiles and cervical cancer screening

Partner with Marsh to build a customized women's health program that protects your people, reduces risk and promotes sustained well-being. You may reach out to your CE or write to us at [marshemployeebenefits.india@marsh.com](mailto:marshemployeebenefits.india@marsh.com)

# MARSH

## Project Team:

### Core Team:

Dr. Tripti Verma  
Muskaan Ralhan  
Shreya Bagrodia  
Tanushree Sinha

### Design Team:

Shraddha Acharekar  
Shantanu Sohoni

### Marketing Team:

Shilpa Lakhi

**Disclaimer:** The Mercer Marsh Benefits (MMB) is the service value proposition which Marsh brings for its clients. MMB is not an insurance product. In India, an insurance product can be provided only by a registered insurance company. Insurance is a subject matter of solicitation.

Marsh India Insurance Brokers Pvt. Ltd. is a subsidiary of Marsh McLennan. This document is not intended to be taken as advice regarding any individual situation and should not be relied upon as such. The information contained herein is based on sources we believe reliable, but we make no representation or warranty as to its accuracy. Marsh shall have no obligation to update this publication and shall have no liability to you or any other party arising out of this publication or any matter contained herein. Any modeling, analytics, or projections are subject to inherent uncertainty, and the Marsh Analysis could be materially affected if any underlying assumptions, conditions, information, or factors are inaccurate or incomplete or should change. Insurance is the subject matter of the solicitation. For more details on risk factors, terms, and conditions please read the sales brochure carefully before concluding a sale. Prohibition of Rebates - Section 41 of the Insurance Act, 1938; as amended from time to time: No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take or renew or continue insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer. Any person making default in complying with the provisions of this section shall be punishable with a fine which may extend to ten lakh rupees. Marsh makes no representation or warranty concerning the application of policy wordings or the financial condition or solvency of insurers or reinsurers. Marsh makes no assurances regarding the availability, cost, or terms of insurance coverage. All decisions regarding the amount, type or terms of coverage shall be your sole responsibility. While Marsh may provide advice and recommendations, you must decide on the specific coverage that is appropriate for your particular circumstances and financial position.

Marsh India Insurance Brokers Pvt. Ltd's corporate and the registered office is at 1201-02, Tower 2, One World Centre, Plot-841, Jupiter Textile Compound Mills, Senapati Bapat Marg, Elphinstone Road (W), Mumbai 400 013. Marsh India Insurance Brokers Pvt. Ltd is registered as a composite broker with the Insurance and Regulatory Development Authority of India (IRDAI). Its license no. is 120 and is valid from 03/03/2024 to 02/03/2027. CIN: U66010MH2002PTC138276. Compliance ID: IND-20240314

Copyright 2026. Marsh India Insurance Brokers Pvt Ltd. All rights reserved.