

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION No. 2691

ANSWERED ON MONDAY, 9 MARCH , 2026/PHALGUNA 18, 1947 (SAKA)

Rise in Health Insurance Premiums

2691. SHRI NAVASKANI K:

Will the Minister of FINANCE be pleased to state:

- (a) whether Government is aware of the steady rise in health insurance premiums and medical inflation, if so, the details thereof;
- (b) whether meetings held by the Government with insurers and hospital groups have resulted in any concrete measures to control premium increases and improve transparency in claim settlement;
- (c) if so, the details thereof;
- (d) whether policy holders in Tamil Nadu have been disproportionately affected by premium hikes, claim rejections or delays in cashless settlements, if so, the details thereof;
- (e) whether proposed requirement of prior approval from the Insurance Regulatory and Development Authority of India for premium increases beyond 10 per cent is likely to be implemented across all policy categories, if so, the timeline thereof; and
- (f) whether the Government proposes any specific steps to protect middle-class and senior citizen policy holders in Tamil Nadu from unaffordable health insurance costs and if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (c): Health insurance premiums generally increase year-on-year due to multiple factors such as medical inflation, ageing of the insured population, higher sum insured or additional benefits opted by policyholders, and enhancements in policy features. The average premium per person in respect of individual health insurance business during the last 3 Financial years, as informed by Insurance Regulatory and Development Authority of India (IRDAI), is as under:

FY	Average Premium Per person (Individual Family Floater)	Increase	Average Premium Per person (Individual other than Family Floater)	Increase
2024-25	7,020.06	3.35%	11,187.64	9.95%
2023-24	6,792.69	14.49%	10,174.95	11.98%
2022-23	5,932.87	12.09%	9,086.07	16.30%

The sector regulator, IRDAI, has stipulated that insurers shall ensure that the premium rates are fair and not excessive, inadequate or unfairly discriminatory and provide value for money through regulations and circulars issued from time to time. Health insurance premiums generally increase year-on-year due

to multiple factors such as medical inflation, ageing of the insured population, higher sum insured or additional benefits opted by policyholders, and enhancements in policy features. Meeting was held on 13.11.2025 with insurers and hospitals where it was advised to take measures to make healthcare affordable and accessible.

(d): IRDAI has informed that there is no specific information available to them in respect of disproportionate premium hikes, claim rejections or delays in cashless settlements with respect to the state of Tamil Nadu.

(e): IRDAI has informed that the direction requiring prior consultation with IRDAI for premium increases exceeding 10% specifically applies to revisions in premiums for the senior citizen segment across individual health insurance products. IRDAI has also informed that at present, there is no proposal under consideration for mandating prior consultation of the IRDAI for premium increases across all policy categories.

(f): Pradhan Mantri Jan Arogya Yojana (PMJAY) offers a health cover for secondary and tertiary care hospitalization. The scheme has been expanded to cover 6 crore senior citizens of age 70 years and above belonging to 4.5 crore families irrespective of their socio-economic status under PMJAY.
