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Financial Performance of Select Health Insurance Companies- A Comparative Study

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Abstract:

Insurance is a risk management tool. It is used as a hedge against risk of financial losses that may result from any probable eventualities. Insurance is broadly divided into life and non-life insurances. Non-life insurance has various segments like fire, marine and miscellaneous comprising motor, health, travel, public liability, personal accident, aviation etc. Health insurance is an emerging service sector in India. Privatisation of insurance has paved way for the emergence of many private sector companies.Health insurance products are offered by both by Government and private insurance companies. A few private companies focus on health insurance as their only line of business. The four Government players, private players with all insurance products and the standalone health insurance companies are competing to occupy the market while offering a variety of products to the general public. This study focuses on the performance of select health insurance companies in India. The New India Assurance Company Ltd, a public sector company, ICICI Lombard, and Star Health and Allied Insurance Company Ltd are considered for the present study. The data required for the study is obtained from the secondary sources like annual reports of the companies, IRDAI and various research articles, published journals. Earning ratios like Gross Premium Growth Rate, Net Retention, Incurred Claims, Expense ratios are studied to analyse performance while liquidity ratios and solvency parameters were studied to analyse overall position of the select companies over last twelve years ie from 2010-11 to 2021-22.

Keywords: *Health Insurance, Premium, Claims ratios, Solvency, performance, Return on Net worth*

I. Introduction:

Insurance is a type of financial product that provides a financial safety net against loss or damage in exchange for regular payments known as premiums. In insurance, a person or entity is insured and another party, the insurer, provides coverage for specified losses or damages.

Health insurance in India refers to insurance coverage specifically for medical and surgical

expenses. The policyholder pays regular premiums to the insurance company, and in return, the insurance company agrees to cover the policyholder's medical expenses up to a certain limit in the event of hospitalization. There are various types of health insurance policies available in India, including individual policies, family floater policies, and group insurance offered by employers. The government of India also offers health insurance schemes for economically weaker sections of society through the RashtriyaSwasthya Bima Yojana (RSBY) scheme.

In recent years, the Indian health insurance industry has grown significantly, with many new players entering the market. The industry has been marked by increasing competition and changing regulations, leading to a changing landscape for health insurance companies in India. Some of the key factors affecting the financial performance of these companies include the level of competition, regulatory changes, claims experience, investment income, and overall economic conditions.

Overall, the financial performance of health insurance companies in India has been mixed, with some companies reporting strong growth and profitability, while others are facing challenges. However, the industry as a whole has continued to grow, driven by factors such as an increasing awareness of health insurance among the public and a growing middle class with more disposable income.

II. Review of Literature:

1. **Babita Yadav, et al (May 2022),** analysed the performance of Indian Health Insurance companies, in their work titled, "Critical Performance Analysis of the Health Insurance Sector in India during Covid-19 Outbreak". The authors studied different performance aspects like Gross Premium growth, incurred claims in relative terms and gross premium, claims incurred and number of policies in absolute terms. It was concluded that there was a rise in gross premium growth and also in the incurred claims thus showing a very small change in the net premium. It was further concluded that an Universal Health Scheme in India is required to improve access to health care.
2. **Kamand Morara and Athenia Bongani Sibindi (November 2021),** have studied the factors determining the financial performance of insurance companies in their work, "Determinants of Financial Performance of Insurance Companies: Empirical Evidence Using Kenyan Data". The study used a sample of insurance companies comprising of life, non-life, composites and reinsurance companies. It was observed that the size of the insurer, reinsurance ratios, investment returns were positively related while the age of the firm was negatively related to the financial performance of a company. The study is limited to Kenya.
3. **Sudha, B. et al (2021)**, in their research paper titled, " Financial Performance Analysis of Star Health and Allied Insurance Company Limited in India." have studied about the financial position of Star Health from 2009-10 to 2018-19. Liquidity ratios, Profitability

ratios, underwriting ratios were considered for the analysis of company's performance during the study period. It was concluded that the company's profitability, liquidity, leverage and solvency position was good in spite of huge competition. It was further concluded that the success of the company can be attributed to their income from premium, speedy settlement of claims, innovative products and services, attractive pricing and sales promotion.

4. **Daniel McDermott (2020),** in their research paper, "Health Insurer Financial Performance in 2020", analysed the performance of health insurers during the covid pandemic in United States. It was observed that the health insurers gained more business during pandemic in most of the markets. Further, the gross margins were higher and medical loss ratios were lower in 2018 and 2020 than in 2019. This may be due to the economic crisis and job losses that decreased the medical coverage given by the employers.
5. **Madan Mohan Dutta (September 2020)**, in his study on "Health insurance sector in India: an analysis of its performance", has focussed on the performance of health insurance sector in India with respect to underwriting profit or loss. Secondary data from annual reports of health insurance companies for a time period of 12 years ranging from 2006-07 to 2018-19 were used for the study. It was observed that growth of premium income instead of influencing profit is actually influencing growth of losses. There is no enough underwriting profit, though the sector has shown promising increase in terms of its revenue collection. It was suggested that immediate investigation of claim would help to curb unfair practices and dishonest claims which result in underwriting losses.
6. **Dr. Rana Rohit Singh, Abhishek Singh (April 2020),** have described about sector wise distribution of health insurance in India, in their paper titled, " A Study of Health Insurance in India". They have concluded that a large portion of population is still uncovered from health insurance. It was also concluded that though the relative share of public sector companies declined due to entry of private health insurers with foreign collaborations, there is an increase in absolute terms of business. Ie there is an increase in number of policies and premium amount. They have also suggested that innovations in health insurance products insurance would help in growth and development of the sector in India.

III. Objectives of the Study:

1. To understand various performance ratios related to the select health insurance companies
2. To compare the financial performance of the above companies

IV. Research Methodology:

A. Sample:

Three companies leading in their respective sectors were chosen. The New India Assurance Company Ltd from public sector companies, ICICI Lombard from the private sector and The

Star Health and Allied Insurance Company Ltd from Stand Alone Health Insurers were considered for the study.

B. Data Collection:

The data required for the study was collected from annual reports of the above mentioned companies.

C. Methodology:

Earnings ratios – GPGR, NRR, ICR, ER, Combined Ratio, OP Ratio, RoNW Ratio

Liquidity Ratios- CR, LAL Ratio, Technical Reserves to Net Premium Ratio

Solvency Ratio- ASR/RSR

The above ratios were studied and compared to assess the performance of the select companies.

D. Period of the Study:

Annual reports of past twelve years from 2010-11 to 2021-22

V. Data Analysis:

Financial Ratios are used to make a holistic assessment of financial performance of a company. These ratios also help in evaluating the company's performance against its peers in the industry. They are not an end but a means to understand the performance. CARE follows a standard set of ratios for evaluating the insurance companies. These ratios are broadly divided into three categories- Earnings, Liquidity and Solvency.

I. Earnings Ratios:

These ratios focus on an insurer's ability to efficiently translate its strategies and competitive strengths into growth opportunities nad sustainable profit margins.

1. Gross Premium Growth Rate - This indicates the growth in business undertaken by the insurers. This ratio is calculated for only health segment of the select insurers.

$$\text{Gross Premium Growth Rate} = \frac{GPW_T - GPW_{T-1}}{GPW_{T-1}} * 100$$

GPW – Gross Premium Written; T – Current Year; T-1 – Previous Year

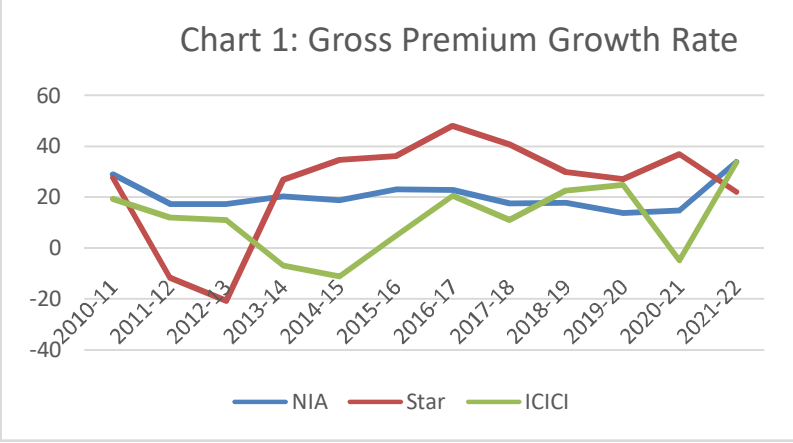


Chart 1 is a graphical representation of the Gross Premium Growth Rate from 2010-11 to 2021-22 for the select three companies. Only health insurance premium has been considered. It is clearly evident that though the growth is high for Star Health Insurance, it is not consistent, New India Assurance depicts a consistent growth over the period of study.

H_0 – There is no significant difference in the Gross Premium Growth Rate of select companies

Table1: Gross Premium Growth Rate

Company/Year	NIA	Star	ICICI
2010-11	28.77	27.65	19.19
2011-12	17.26	-11.61	12.06
2012-13	17.23	-20.72	10.95
2013-14	20.4	26.84	-6.86
2014-15	18.88	34.66	-11.19
2015-16	22.99	36.18	5.04
2016-17	22.93	47.95	20.47
2017-18	17.6	40.58	10.87
2018-19	17.77	29.8	22.63
2019-20	13.81	27.1	24.84
2020-21	14.8	36.76	-4.93
2021-22	33.83	22.1	33.61
Average	20.52	24.77	11.39

Source: Annual Reports

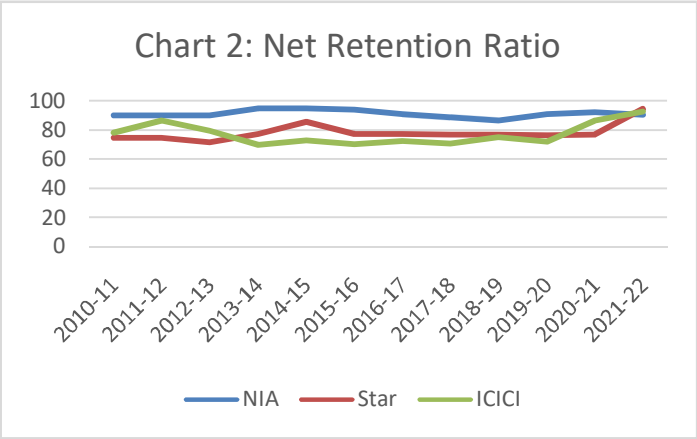
Table2: Analysis of Variance for Gross Premium Growth Rate

Companies	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	1122.461	2	561.2303	2.618797	0.08798	3.284918
Within Groups	7072.177	33	214.3084			
Total	8194.638	35				

From the above table 2, it is clearly evident that the calculated F value of 2.618 is lesser than the table value or critical value of 3.284 at 5% level of significance with degrees of freedom(v1=2, v2=33). Hence null hypothesis is accepted. So, it can be said that there is no significant difference in the Gross Premium Growth Rate of select companies.

2. Net Retention/ Risk Retention Ratio: This ratio indicates the level of risks retained by the insurer vis-à-vis that ceded tore-insurers. Re-insurance plays an essential role in the process of risk spreading. This ratio is calculated for only health segment of the select insurers.

$$Risk\ Retention\ Ratio = \frac{Net\ Premium\ Written}{Gross\ Premium\ Written}$$



Net Retention Ratio is represented in Chart 2. All the three companies show consistency in their retention rates. But New India Assurance has a higher rate of retention of premium.

H_0 – There is no significant difference in the Net Retention Ratio of select companies

Table 3: Net Retention Ratio

Company/Year	NIA	Star	ICICI
2010-11	90	74.27	77.9
2011-12	90.02	74.64	86.13
2012-13	90	71.36	79.14
2013-14	94.87	77.31	69.53
2014-15	94.95	85.34	72.45
2015-16	93.89	76.96	70.09
2016-17	90.77	77.13	72.03
2017-18	88.72	76.81	70.61
2018-19	86.38	76.44	74.65
2019-20	91	76.32	71.56
2020-21	92.19	76.47	86.2
2021-22	90.35	94.3	92.37
Average	91.1	78.11	76.89

Table 4: Analysis of Variance for Net Retention Ratio

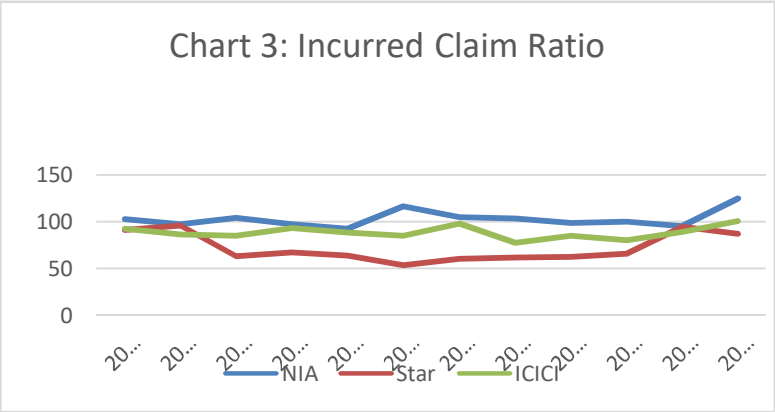
Companies	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	1487.493	2	743.7465	22.21896	7.72E-07	3.284918
Within Groups	1104.626	33	33.47351			
Total	2592.119	35				

Table 4 denotes that the calculated F value of 22.218 is greater than the table value or critical value of 3.284 at 5% level of significance with degrees of freedom(v1=2, v2=33). Hence null hypothesis is rejected. So, it can be concluded that there is significant difference in the Net Retention Ratio of select companies.

3. Incurred Claim Ratio / Loss Ratio - The ratio measures the company's loss experience as a proportion of premium income earned during the year. The loss ratio is a reflection on the nature of risk underwritten and the adequacy or

inadequacy of pricing of risks.This ratio is calculated for only health segment of the select insurers.

In Chart 3 depicts that the incurred claims ratio is higher for New India Assurance while it is lower for Star Health.



$$Incurred\ Claim\ Ratio = \frac{Net\ Claims\ Incurred}{Net\ Premium\ Earned} * 100$$

H_0 – There is no significant difference in the Incurred Claim Ratio of select companies

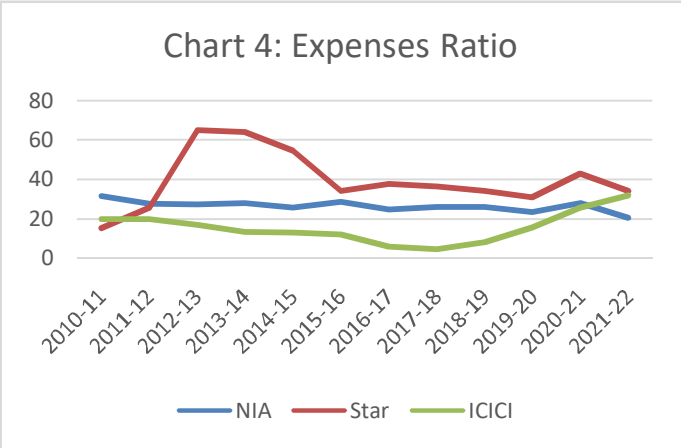
Table 5: Incurred Claims Ratio

Company/Year	NIA	Star	ICICI
2010-11	102.77	91.19	92.41
2011-12	97.54	95.76	86.19
2012-13	104.11	63.18	84.82
2013-14	97.11	67.21	93.02
2014-15	92.7	63.96	88.31
2015-16	116.67	53.81	84.74
2016-17	104.74	60.51	97.85
2017-18	103.83	61.76	77.61
2018-19	99.02	62.73	84.98
2019-20	100.14	65.91	80.52
2020-21	95.33	94.44	89.04
2021-22	124.54	87.06	100.45
Average	103.21	72.29	88.33

Table 6: Analysis of Variance for Incurred Claim Ratio

Companies	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	5737.091	2	2868.546	24.14458	3.47E-07	3.284918
Within Groups	3920.632	33	118.807			
Total	9657.723	35				

From the above table, it is clearly evident that the calculated F value of 24.1458 is greater than the table value or critical value of 3.284 at 5% level of significance with degrees of freedom(v1=2, v2=33). Hence null hypothesis is rejected. So, it can be concluded that there is significant difference in the Incurred Claim Ratio of the select companies.



4. Expense Ratio – This ratio reflects the efficiency of the insurance operations. Expense ratio for an insurer is analysed by class of business, along with the trend of the same. This ratio is calculated for only health segment of the select insurers.

$$Expense\ Ratio = \frac{Management\ Expenses + Net\ Commission\ Paid\ or\ Earned}{Net\ Premium\ Earned} * 100$$

Chart 4 represents the Expenses ratio. The ratio of Star Health is higher compared to New India and ICICI Lombard companies. This indicates that a major portion of the premium is spent for the operations and as commission.

H_0 – There is no significant difference in the Expense Ratio of select companies

Table 7: Expenses Ratio

Year	NIA	Star	ICICI
2010-11	31.48	15.11	19.84
2011-12	27.5	25.66	19.77
2012-13	27.27	65.02	17.03
2013-14	27.8	64.09	13.17
2014-15	25.71	54.7	12.9
2015-16	28.44	33.96	11.99
2016-17	24.58	37.7	5.92
2017-18	25.93	36.43	4.49
2018-19	25.79	34.04	8.01
2019-20	23.32	30.66	15.72
2020-21	27.77	42.99	25.57
2021-22	20.42	33.96	31.87
Average	26.33	39.53	15.52

Table 8: Analysis of Variance for Expense Ratio

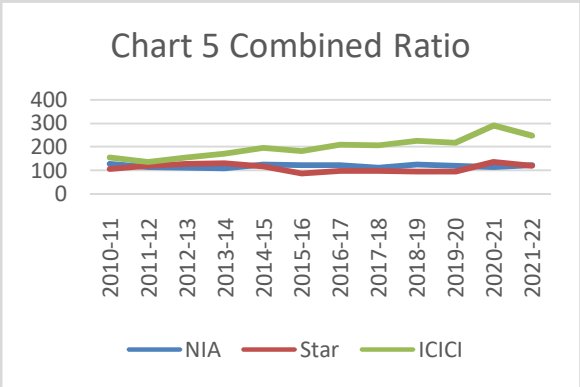
Companies	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	3468.305	2	1734.152	17.57932	6.34E-06	3.284918
Within Groups	3255.36	33	98.64727			
Total	6723.665	35				

From the above table, it is clearly evident that the calculated F value of 17.579 is greater than the table value or critical value of 3.284 at 5% level of significance with degrees of freedom(v1=2, v2=33). Hence null hypothesis is rejected. So, it can be concluded that there is significant difference in the Expenses Ratio of the select companies.

5. Combined Ratio – This ratio is a measure of underwriting profitability of an insurance company after factoring claims expenses and operating expenses of the insurer. This ratio is calculated for the company as a whole.

Combined Ratio = Loss Ratio + Expense Ratio

This chart 5 is a graph showing the combined ratio of losses ie claims incurred and expenses to the net premium earned. The graph shows that combined ratio is higher for ICICI Lombard compared to New India and Star Health.



H_0 – There is no significant difference in the Combined Ratio of select companies

Table 9: Combined Ratio

Company/Year	NIA	Star	ICICI
2010-11	126.76	106.3	156
2011-12	114.59	121.42	136
2012-13	110.57	128.2	156
2013-14	109.15	131.3	172
2014-15	123.31	118.66	195
2015-16	120.8	87.77	182
2016-17	122.66	98.21	210
2017-18	112.6	98.19	205
2018-19	123.38	96.77	224
2019-20	118.5	96.57	217
2020-21	114.48	137.43	290
2021-22	121.1	121.02	246
Average	118.16	111.82	199.08

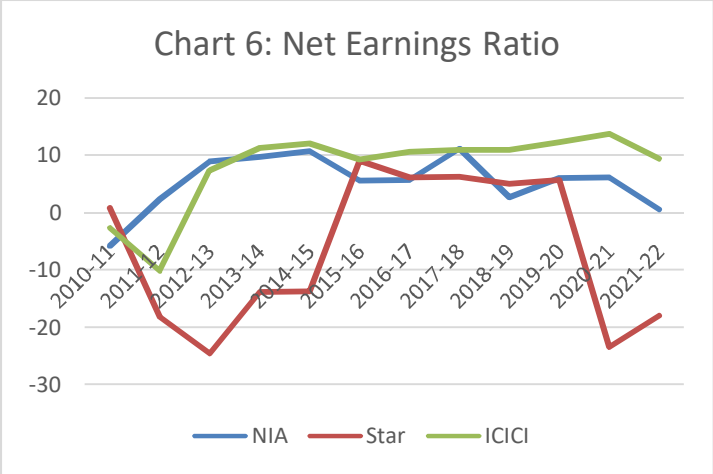
Table 10: Analysis of Variance for Combined Ratio

Companies	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	56815.68	2	28407.84	39.68449	1.66E-09	3.284918
Within Groups	23622.79	33	715.8423			
Total	80438.47	35				

From the above table, it is clearly evident that the calculated F value of 39.68 is greater than the table value or critical value of 3.284 at 5% level of significance with degrees of freedom (v1=2, v2=33). Hence null hypothesis is rejected. So, it can be concluded that there is significant difference in the Combined Ratio of the select companies.

6. Net Earnings Ratio - This ratio measures the overall profitability of an insurer after factoringunderwriting result, operating expenses as well as investment income and tax.

$$Net\ Earnings\ Ratio = \frac{Profit\ After\ Tax}{Net\ Premium\ Written}$$



This chart 6 shows the net earnings ratio. Net Earnings ratio of Star Health is unstable while the other two are comparatively consistent.

H_0 – There is no significant difference in the Net Earnings Ratio of select companies

Table 11: Net Earnings Ratio

Company/Year	NIA	Star	ICICI
2010-11	-5.86	0.81	-2.65
2011-12	2.28	-18.25	-10.13
2012-13	8.93	-24.57	7.38
2013-14	9.73	-13.82	11.37
2014-15	10.75	-13.76	12.1
2015-16	5.54	9.02	9.34
2016-17	5.66	6.17	10.64
2017-18	11.16	6.21	10.99
2018-19	2.7	5.01	11
2019-20	6.03	5.62	12.38
2020-21	6.12	-23.47	13.79
2021-22	0.57	-18	9.42
Average	5.3	-6.59	7.97

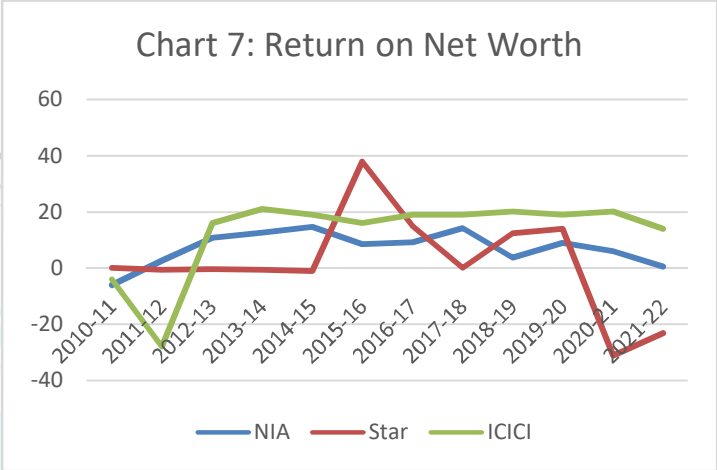
Table 12: Analysis of Variance for Net Earnings Ratio

Companies	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	1441.043	2	720.5217	8.806707	0.000861	3.284918

Within Groups	2699.899	33	81.81511			
Total	4140.942	35				

From the above table, it is clearly evident that the calculated F value of 8.8 is greater than the table value or critical value of 3.284 at 5% level of significance with degrees of freedom(v1=2, v2=33). Hence null hypothesis is rejected. So, it can be concluded that there is significant difference in the Net Earnings Ratio of the select companies.

7. Return on Net Worth - This ratio reflects the post-tax return generated on net worth of an insurer. It's a measure of overall return on the equity deployed in the business.



$$Return\ on\ Networth = \frac{Profit\ After\ Tax}{Average\ Networth}$$

This chart 7 shows that return on net worth is high for ICICI Lombard compared to other companies considered for the study.

H_0 – There is no significant difference in the Return on Net Worth of the select companies

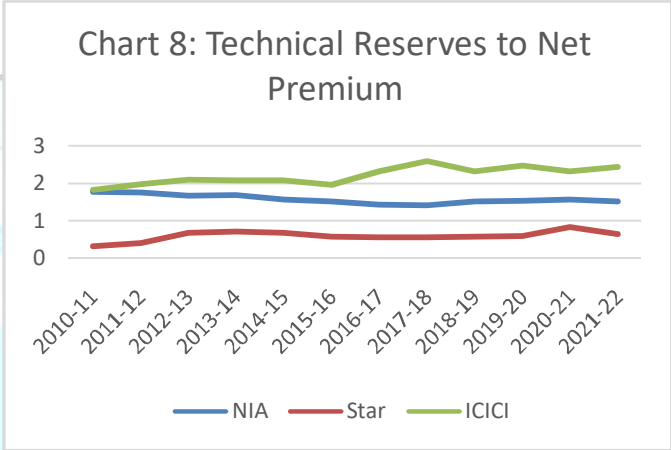
Table 13: Return on Net Worth

Company/Year	NIA	Star	ICICI
2010-11	-6.12	0.03	-4
2011-12	2.54	-0.51	-28
2012-13	10.9	-0.46	16
2013-14	12.63	-0.49	21
2014-15	14.72	-0.99	19
2015-16	8.44	38	16
2016-17	9.14	15	19
2017-18	14.28	0.18	19
2018-19	3.68	12.39	20
2019-20	9.01	13.94	19
2020-21	5.95	-31.16	20
2021-22	0.55	-23.06	14
Average	7.14	1.91	12.58

Table 14: Analysis of Variance for Return on Net Worth						
Companies	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	684.1361	2	342.068	1.824715	0.177162	3.284918
Within Groups	6186.304	33	187.4638			
Total	6870.44	35				

From the above table, it is clearly evident that the calculated F value of 0.9523 is lesser than the table value or critical value of 3.284 at 5% level of significance with degrees of freedom(v1=2, v2=33). Hence null hypothesis is accepted. So, it can be said that there is no significant difference in the Return on Net Worth of the select companies.

8. Technical Reserves to Net Premium – This is the ratio of technical reserves to net premium earned. Technical reserves are reserves created to take care of 'expected' claims that may arise.



$$\text{Technical Reserves to Net Premium } Ratio = \frac{\text{Technical Reserves}}{Net\ Premium}$$

ICICI Lombard has high ratio of Technical Reserves to Net Premium as depicted in Chart 8.

H_0 – There is no significant difference in the Technical Reserves to Net Premium Ratio of select companies

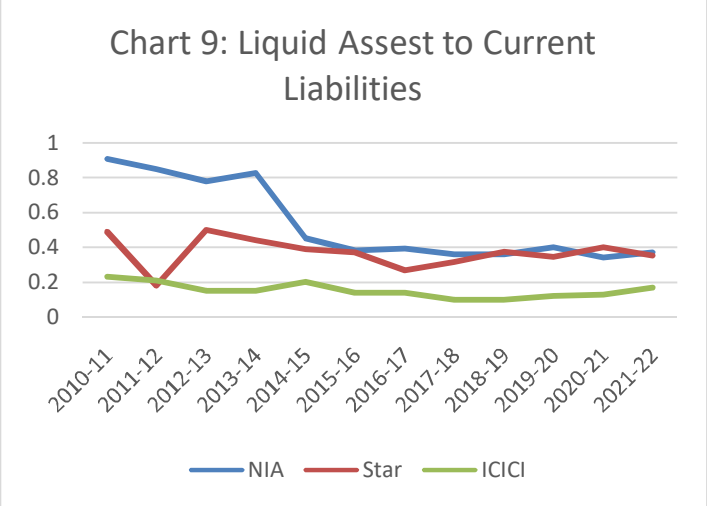
Table 15: Technical Reserves to Net Premium			
Company/Year	**NIA**	**Star**	**ICICI**
2010-11	1.78	0.33	1.82
2011-12	1.76	0.41	1.98
2012-13	1.68	0.69	2.09
2013-14	1.69	0.72	2.08
2014-15	1.58	0.69	2.08
2015-16	1.53	0.58	1.95
2016-17	1.44	0.57	2.32
2017-18	1.42	0.5604	2.59
2018-19	1.53	0.5877	2.31
2019-20	1.54	0.5963	2.47
2020-21	1.57	0.8402	2.32
2021-22	1.52	0.658	2.44
Average	1.59	0.6	2.22

Table 16: Analysis of Variance for Net Retention Ratio						
Companies	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	15.65642	2	7.828212	265.6188	4.53E-21	3.284918
Within Groups	0.972563	33	0.029472			
Total	16.62899	35				

From the above table, it is clearly evident that the calculated F value of 265.6188 is greater than the table value or critical value of 3.284 at 5% level of significance with degrees of freedom(v1=2, v2=33). Hence null hypothesis is rejected. So, it can be concluded that there is significant difference in the Technical Reserves to Net Premium Ratio of the select companies.

II. Liquidity Ratios - Good liquidity helps an insurance company to meet policyholder's obligations promptly. An insurer's liquidity depends upon the degree to which it can satisfy its financial obligations by holding cash and investments that are sound, diversified and liquid or through operating cash flows.

1. Liquid Assets to Current Liabilities Ratio - This ratio indicates an insurer's ability to settle its current liabilities without prematurely selling long term investments or to borrow money. If this ratio is less than one, then the insurer's liquidity becomes sensitive to the cash flow from premium collections.



$$\text{Liquid Assets to Current Liabilities Ratio} = \frac{\text{Liquid Assets}}{\text{Current Liabilities}}$$

Chart 9 shows the ratio of liquid assets to current liabilities. The ratios is high for New India Assurance Ltd but also showed a decline 2016-17 and was consistent at 0.4 over the years.

H_0 – There is no significant difference in the Liquid Assets to Liabilities Ratio of the select companies

Table 17: Liquid Assets to Current Liabilities			
Company/Year	**NIA**	**Star**	**ICICI**
2010-11	28.77	27.65	19.19
2011-12	17.26	-11.61	12.06
2012-13	17.23	-20.72	10.95
2013-14	20.4	26.84	-6.86
2014-15	18.88	34.66	-11.19

2015-16	22.99	36.18	5.04
2016-17	22.93	47.95	20.47
2017-18	17.6	40.58	10.87
2018-19	17.77	29.8	22.63
2019-20	13.81	27.1	24.84
2020-21	14.8	36.76	-4.93
2021-22	33.83	22.1	33.61
Average	0.54	0.37	0.15

Table 18: Analysis of Variance for Liquid Assets to Liabilities Ratio

Companies	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	4106009	2	2053004	1.006592	0.376408	3.284918
Within Groups	67305445	33	2039559			
Total	71411453	35				

From the above table, it is clearly evident that the calculated F value of 1.0065 is lesser than the table value or critical value of 3.284 at 5% level of significance with degrees of freedom(v1=2, v2=33). Hence null hypothesis is accepted. So, it can be said that there is no significant difference in the Liquid Assets to Liabilities Ratio of select companies.

III. Solvency Parameters:

Adequacy of solvency margin forms the basic foundation for meeting policyholder obligations. All insurance companies are required to comply with solvency margin requirements of the regulator as prescribed from time to time. Currently, IRDA has prescribed 1.5 times 'Solvency Margin' for insurance companies in India. 'Solvency Margin' for insurance companies is akin to 'Capital Adequacy Ratio' of Banks.

1. Solvency Ratio - This ratio helps as a check to the compliance with minimum requirement of 1.5 times as well as cushion available above the regulatory minimum is examined.

$$\text{Solvency Ratio} = \frac{\text{Available Solvency Margin}}{\text{Required Solvency Margin}}$$

Chart 10 shows Solvency Ratio. The solvency ratio of Star Health has been unstable when compared to other companies.

H_0 – There is no significant difference in the Solvency Ratio of the select companies

Table 19: Solvency Ratio

Company/Year	NIA	Star	ICICI
2010-11	2.9	1.5	1.56
2011-12	2	1.66	1.36
2012-13	3.35	1.91	1.56
2013-14	3.56	1.5	1.72

2014-15	2.44	2.4	1.95
2015-16	2.3	5.99	1.82
2016-17	2.19	1.61	2.1
2017-18	2.58	1.51	2.05
2018-19	2.13	2.1	2.24
2019-20	2.11	1.88	2.17
2020-21	2.19	2.23	2.9
2021-22	1.66	1.67	2.46
Average	2.45	2.16	1.99

Table 20: Analysis of Variance for Solvency Ratio

Companies	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	1.29605	2	0.648025	0.952314	0.396196	3.284918
Within Groups	22.45565	33	0.680474			
Total	23.7517	35				

From the above table, it is clearly evident that the calculated F value of 0.9523 is lesser than the table value or critical value of 3.284 at 5% level of significance with degrees of freedom(v1=2, v2=33). Hence null hypothesis is accepted. So, it can be said that there is no significant difference in the Solvency Ratio of the select companies.

VI. Findings:

As it can be easily understood form the above tables, out of ten ratios considered for the study, for six variables there is significant difference in the ratios of select public, private and standalone health insurers. While all the three select companies have no significant difference in Gross Premium Growth Rate, Solvency Ratio, Liquid Assets to Current Liabilities, Return on Net worth, there is significant difference among the companies with reference to Net Retention Ratio, Incurred Claim Ratio, Expense Ratio, Combined Ratio, Technical Reserves to Liabilities , Net Earnings Ratio. It indicates that though the companies have similar growth with reference to gross premium, the claims incurred vary form company to company thus affecting the retention and earnings ratios. The study reveals that The New India Assurance Company Ltd has been performing well compared to Star Health and ICICI Lombard.

VII. Conclusion:

Health insurance has become a crucial aspect of the healthcare system in India. With the rise in medical costs, it is imperative for individuals to have access to quality healthcare services without having to worry about financial constraints. With the government's focus on providing health insurance to all its citizens, the Indian health insurance industry has seen significant growth over the past few years. However, there is still a large section of the population that remains uninsured and lacks access to adequate healthcare. Going forward, it is imperative for the government and

insurance companies to work together to provide accessible and affordable health insurance to all citizens, and bridge the gap between healthcare access and financial stability.

The above study is limited to only three companies from public, private and standalone. There is scope for further study extending to entire public and private sectors.

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