



ALL INDIA BANK OFFICERS' ASSOCIATION

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Circular 25/VIII/2026

17.07.2026.

Camp MUMBAI

TO

ALL STATE COMMITTEES / AFFILIATED UNITS;

Comrades,

INSURANCE BACKED HOSPITALISATION SCHEME

The Insurance backed Hospitalisation scheme was brought to stay from 2015 implemented in all Banks, other than State bank of India.

2. The Team IBA was led by Shri. Rajneesh Karnatak, Chairman Negotiating Committee, MD&CEO BOI, Shri. Ashok Chandra, Alternate Chairman, MD&CEO PNB, Shri. Binod Kumar MD&CEO, IB, (V.C. Mode), Shri. A.K. Goel, C.E IBA, Shri. Gopal Murali Bhagat, Dy C.E, Shri. Arvind Mishra Sr. Adv (HR&IR) IBA, Shri. Sankarraman and other members of the HR department, were present in the meeting to discuss the above mentioned issue. The undersigned represented our organization in the discussions held to-day at IBA office, Mumbai,

3. Shri. Gopal Murli Bhagat, Dy. C.E, welcomed the eleven trade union representatives for the meeting, The Chairman Negotiating Committee, while expressing satisfaction about the performance of the banks for the financial year 31.03.2026, cautioned about the crisis looming large due to the West -Asia War and also the vagaries of the monsoon. Followed by the brief presentation by Chairman Negotiating committee, Shri. A.K. Goel C.E, IBA, addressed the participants briefly.

4. The details pertaining to the implementation of the insurance backed hospitalization scheme by National Insurance Company Ltd in the current year of operation were shared by Dy. C.E IBA. Some of the inputs are: Claim Ratio: Retirees: 150% and in-service workforce 80%. The outgo for the Insurance company is 95% of the premium collected. There is no savings on account of the service rendered to the banking workforce to Insurance company. The coverage extended by NLC is for 25 Lacs lives. IBA has implemented the combined policy ie Employees + retirees. Quarterly meetings of TPAs are conducted. Their services are utilized for three months only. In order to step up the settlement of claims an APP has been developed. It is in the testing stage and implemented in Central Bank of India. It will be extended to all other banks in due course. The purpose of the meeting was to arrive at a consensus.

5. It was proposed by IBA that the NLC will be entrusted to handle the hospitalisation scheme for the ensuing period 1.11.2026 to 31.10.2027. As the ICR is 95%, it has been largely agreed to continue for two years period. IBA mentioned about the 33% increase of the coverage amount after a period of 10 years and the buffer has also been increased from Rs 100Cr+GST to Rs 125 Cr + GST. It was indicated that the bed charges are considered for due increase. The medical expenses related to maternity + child care is under active consideration.

6. After exchange of the views and submissions made by representatives, the following details were shared. The concurrence of the Managing Committee is awaited.

EFFECTIVE DATE OF THE PROPOSAL WILL BE FROM 1.11.2026.

S.NO	ITEMS COVERED	EXISTING (RS)	PROPOSED (RS)	APPLICABILITY TO CENTRES
1.	Bed Charges	5,000	7,500	FOUR METRO
2.	ICU Charges	7,500	9,500	DO
3.	Ambulance Charges	2,500	No change	
4.	Maternity expenses	50,000	1,00,000	Data will be collected
5.	"C" Section	75,000	1,25,000	
6.	Critical illness	1,00,000	2,00,000	
7.	Cataract	40,000	50,000	
8.	IVF treatment		2,00,000	

The income limit stipulated for the dependents for the purpose of medical treatment alone will be **Rs.23,000/=** Some of the submissions/suggestions by the participating unions have been taken into consideration. The best practices adopted by PNB in the matter of quick processing of settlement of claim is to be considered for the presentation to MC, which can also be extended to other banks.

7. While concluding the meeting, in view of the Government Communication dated 20.04.2026, IBA insisted for submission of the COD for implementation of wage revision w.e.f. 1.11.2027.

Thus, the exchange of information from both sides came to a conclusion after 65 minutes.

The other details will be circulated in due course.

Yours Comradely,



(S.NAGARAJAN)
GENERAL SECRETARY

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Mangaluru
18.07.2026



(SURESH HEGDE S)
GENERAL SECRETARY