



ALL INDIA BANK EMPLOYEES' ASSOCIATION

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**Sri. Rajkiran Rai. G.
Chairman,
Indian Banks' Association
Mumbai**

Dear Sir,

Tie-up with Hospitals for Cashless Treatment to employees/retirees covered by the Group Medical Insurance Policy.

Upto 9th Bipartite Settlement, employees were getting reimbursement of hospitalisation expenses by submitting the claims after discharge from the hospitals and managements were sanctioning the claims as per the guidelines provided under the Bipartite Settlement.

Since, hospitals were asking for advance payment, etc. some of the Banks were extending advance against claims to be adjusted while sanctioning the final claims. There were many limitations, ceilings, etc. under the earlier scheme and employees were invariably going out of pocket while undergoing treatment and during hospitalisation. Hence, we demanded full reimbursement of the expenses.

In this background, during the negotiations for 10th Bipartite Settlement, IBA offered to introduce Group Medical Insurance Scheme by which employees would be covered upto the assured sum of Rs. 3 lacs for workmen and Rs. 4 lacs for officers. IBA also assured that the Scheme would include cashless treatment by which the Insurance Company/TPA would have Tie-up with hospitals and employees may get the treatment without upfront payment during admission or payment of the Bills on discharge from the hospitals as the Bills would be paid by the Insurance Company directly to the hospital as per agreed limits and norms. The attraction of the Scheme was that it would be hassle-free.

During the negotiations it was further assured that the Insurance Company and TPAs would ensure Tie-up with maximum number of hospitals both in major cities as well as in smaller towns so that employees would not be required to run from pillar to post for searching and getting treatments in hospitals which have tier-up arrangement.

But, with the experience of this Scheme for the past six years, our feedback from our members and our unions is that many hospitals are not covered by the Tie-up and hence, and employees are required to pay advance amount or settle the bills on discharge and then make claims for reimbursement.

Many times, even hospitals which are mentioned as covered by Tie-up in the Brochures/website of the TPA, refuse cashless facility saying that the facility has been discontinued or not renewed, etc. and employees/family are compelled to make payments as at last minute they are not able to change the hospitals.

We also find that many important and notable hospitals in the various cities and towns are not at all covered by the Tie-up.

The problem is much more compounded during this pandemic period, where many of the hospitals are refusing cashless treatment for covid-19 treatments and employees are forced to make payments to settle the Bills.

Sir, we strongly feel that IBA needs to take up with the Insurance Company/TPAs and prevail upon them to work-out Tie-up with maximum number of hospitals in all centres so that employees/retirees do not face these hardships at the time of hospitalisation. In fact, this may be made a pre-condition while floating tenders for renewal of the Scheme.

Thanking you,

Yours faithfully,



**C.H. VENKATACHALAM
GENERAL SECRETARY**