



Indian Banks' Association

HR & INDUSTRIAL RELATIONS

HR&IR/MBR/MEDINS/2476

September 2, 2025

MD & CEOs of all member banks party to 12th Bipartite Settlement/9th Joint Note signed on 08.03.2024 and willing to participate in the Group Medical Insurance Policy

Dear Sir/Madam,

Group Medical Insurance Policy for Bank Employees/Retirees for the year 2025-26

Group Medical Insurance scheme in-lieu of Reimbursement of Hospitalisation scheme was introduced as per 10th Bipartite Settlement / 7th Joint Note dated 25.05.2015. The said scheme was extended to retired employees and their spouse with a condition that the premium will be paid by them. The existing policy (2024-25) is covering 5,75,166 serving employees and 1,51,668 retired employees.

2. During the finalisation of RFP for the policy period 2024-25, for the sake of convenience, it was desired to have a common commencement date for both serving and retired employees viz., November 1st of 2024. The then lead insurer viz., NICL agreed to extend the insurance till 31.10.2024, on payment of proportionate insurance premium for one month by the member banks who have subscribed to the insurance policy expiring on 30.09.2024. Accordingly, the current year policy (2024-25) is going to end on 31st October, 2025 for both serving and retired employees.

3. The Negotiating Committee of IBA, constituents of UFBU and other Union/Association leaders met on 13.06.2025 and deliberated on the renewal of the existing Medical Insurance Scheme. Thereafter, consensus on the further improvements to be made was also deliberated in detail and a Memorandum of Understanding was signed.

4. Salient features of the signed minutes is enumerated below:

- i. The sum insured for
 - a. Award staff shall be increased to ₹.4 lakhs from the present level of ₹. 3.00 lakhs
 - b. Officers up to Scale V: Increase to ₹.5.25 lakhs from the present level of ₹.4.00 lakhs
 - c. For scale VI and above: Increase to ₹.7 lakhs from the present level of ₹. 4.00 lakhs
- ii. Corporate Buffer Amount shall be increased to 125 Crores from the present level of 100 Crores
- iii. Cataract upper cap shall be ₹.40000/- per eye

- iv. Hormonal therapy for cancer and Immunotherapy for non-cancer to be included
- v. Robotic surgery shall be considered in cases where the condition of patient warrants such treatment. This needs to be vetted by the treating doctor
- vi. Thyroid cancer shall be included under critical illness benefit
- vii. For retirees: Mentally/physically challenged Dependent family member shall be included by way of add-on. Premium to be paid by retiree/ spouse
- viii. Top-up options to be made available for ₹.1 lakh, 2 Lakh, 3 Lakh and 4 lakh the premium of which shall be borne by the serving employee / retiree.

5. During the meeting held on 24th June, 2025 the Managing Committee has approved to float the RFP. The salient points for the policy are enumerated below.

- a. IRDA approved Insurance Companies will be invited to quote insurance premium for non-domiciliary Policy for in-service & retired employees. Separate loads for extending benefit of domiciliary treatment to employees and their families, critical illness benefits, and buffer insured amount will be quoted by the company. Hence there will be a single quote for non-domiciliary insurance premium for "in-service" and retirees.
- b. Sum insured shall be ₹. 4 Lakhs for Award Staff and ₹.5.25 Lakhs for Officers upto Scale V and ₹.7 lakhs for Officers in Scale VI and above, which is uniformly applicable to serving and retired employees.
- c. Officer retired in Scale VI and above shall have option to choose a sum insured of ₹. 5.25 lakh or ₹.7.00 lakh. Similarly, retired workmen shall have an option to choose a sum insured of ₹.3.00 lakhs or ₹.4.00 lakhs. However, the insurance company for the purpose of submission of commercial bid shall consider premium quote for ₹.5.25 lakh for Officers and ₹.4.00 lakhs for workmen and the same shall be considered for arriving at L 1 quote.
- d. Definition of family for the purpose of Serving employees and retired employees shall continue as hitherto. The Insurance company has to give a quote for Add-on to the policy of retired employees to extend the cover to such of those retired employee who wish to take medical insurance cover in respect of his / her dependent physically or mentally challenged dependent family member/s. The premium quoted for Add-on shall not considered for L 1 calculation.
- e. Domiciliary benefit shall continue to be extended to serving employees and families. Retirees will not have domiciliary benefit.
- f. Employees will be permitted to update dependents during the currency of the insurance policy only on account of Birth, Marriage of employee and Death of dependents. Substitution of dependent/s should be carried out by employees before commencement of Policy and will not be allowed during the policy period.
- g. Critical illness benefits as defined in settlement dated 25.05.2015 shall continue with existing terms for the employees only. Thyroid cancer shall also be included.
- h. Corporate Buffer of ₹.125 Crores which is available to serving employees.
- i. A committee consisting of CGM (HR) / GM (HR) of 5 participating member Banks will be formed to monitor performance of TPAs on regular basis and will recommend to delist hospitals/ medical units in the event of adverse feedbacks observed to the satisfaction of the Committee. If the performance of TPA is found wanting despite repeated observation of deficiency in the service/no improvement in service, the committee may recommend removal of TPA during the currency of the Policy also.



- j. To encourage more retirees to draw the benefit, it is decided to allow any retiree who has not subscribed to the current insurance policy arranged by IBA to join the policy for the year 2025-26.
- k. Apart from the existing limits mentioned in the scheme, the upper limit for treatment of Cataract be kept at ₹.40000/- per eye.
- l. Hormonal therapy for cancer and Immunotherapy for non-cancer to be included under daycare.
- m. Robotic surgery shall be considered in cases where the condition of patient warrants such treatment and the same should be certified by the treating doctor.
- n. Expenses on oral chemotherapy for treatment of cancer shall be payable with or without hospitalization
- o. Top-up options to be made available for ₹.1 lakh, 2 Lakhs, 3 Lakhs and 4 lakhs the premium of which shall be borne by the serving employee / retiree. The premium quoted for these Top-ups shall not considered for L 1 calculation.

6. Accordingly, with the approval of the Managing Committee of IBA a RFP was floated on 05.07.2025, duly incorporating the revised terms as mentioned in the MoU dated 13.06.2025. We called quotes from IRDA approved Insurance Companies for arranging Medical Insurance Policies for in-service employees and bank retirees.

7. Total 6 bidders submitted technical bids on the last date of submission of technical bids i.e. on 21st July, 2025 and on scrutiny, all the 6 bidders were found to be qualified. All such companies were asked to submit the commercial bids on 30th July, 2025. Accordingly, out of 6 technically qualified insurance companies following 5 companies submitted their commercial bids.

- a. National Insurance Co. Ltd. (NICK)
- b. New India Assurance Co. Ltd. (NIA)
- c. The Oriental Insurance Co. Ltd (OIC)
- d. Bajaj Allianz General Insurance Co. Ltd.
- e. Aditya Birla Health Insurance Co. Ltd.

8. In presence of Bank, above mentioned 5 Insurance Company and IBA Officials, sealed envelopes containing commercial bids were opened. It was observed that National Insurance Co. Ltd. (NICK) emerged as L1 bidder, which was subsequently approved by the Managing Committee of IBA in the meeting held on 19th August, 2025. The premium for the arrangement of these policies for employees as well as the retirees, for the policy period commencing from 1st November, 2025, as approved by the Managing Committee, would be as under: -

Medical Insurance Scheme Premium - Non -Domiciliary in ₹ excluding GST					
	Serving Employees			Retirees	
	Officers Scale VI & Above	Officers Scale I to Scale V	Workmen	Officers	Workmen
Sum Insured (₹. in Lakhs)	7	5.25	4	5.25	4
Premium in ₹.	60001	40231	31001	40231	31001

h

Serving Employees			
	Officers Scale VI & Above	Officers Scale I to Scale V	Workmen
Sum Insured (₹. in Lakhs)	7	5.25	4
Domiciliary Benefit Load in ₹.	100	100	100
Ex Gratia Load in ₹.	5	5	5
Corporate Buffer load in ₹.	174	174	174

9. Further, as per the terms of RFP the insurance company had also submitted the following quotes, which is approved by the Managing Committee

- various SI of Top-up policies for Serving and Retired employees
- Retired Award Staff employee to opt for SI of ₹. 3.00 lakh or ₹. 4.00 lakh and Officer retired in Scale VI and above to opt for SI of ₹. 5.25 lakh or ₹. 7.00 lakh.
- Retired employee who can opt for Single person policy as envisaged in the RFP viz.,
 - where retiree does not have surviving spouse or
 - where retiree is survived by spouse (Retiree has passed away) or
 - where retiree does not require the insurance cover for the spouse
- Add-on policy for physically / mentally challenged dependent family member of a retired employee.

Retiree Policy (Base Policy) premium in ₹.

	3 Lakhs	4 Lakhs	5.25 Lakhs	7 Lakhs
Retiree with Spouse	27,001	31,001	40,231	60,001
Retiree - Single Person	24,301	29,251	37,181	48,001

Retiree Add-on policy premium in ₹.

	3 Lakhs	4 Lakhs	5.25 Lakhs	7 Lakhs
Physically / Mentally challenged dependent family member of Retiree with or without Spouse-Per dependent	10,001	12,501	15,001	35,001

Top-up policy premium in ₹.

	1 lakh	2 lakhs	3 lakhs	4 lakhs
Serving Employee	7,001	11,001	13,001	15,001
Retiree with Spouse	12,501	20,001	29,301	39,001
Retiree - Single Person	10,621	17,001	24,901	31,201

Add-on Top up policy premium in ₹.

	1 lakh	2 lakhs	3 lakhs	4 lakhs
Physically / Mentally challenged dependent family member of Retiree with or without Spouse-Per dependent	5,001	10,001	20,001	30,001

10. We also wish to inform you that the Policies are proposed to be issued: -

- a. as per existing terms incorporated in the 10th Bi-partite Settlement/Joint Note signed on 25.5.2015
- b. subsequent addition in Domiciliary Scheme covered in the 11th Bi-partite Settlement signed on 11.11.2020
- c. Approved targeted therapies for treatment of Cancer in day care and on standalone basis. (Immunotherapy - Monoclonal Antibody Cancer treatment on standalone basis)
- d. Treatment for Age related Macular Degeneration (ARMD) and Intra vitreal injections for eye disorders other than ARMD also, and
- e. MOU signed between IBA on behalf of member banks & UFBU on 02.07.2024 and 13.06.2025

11. Necessary arrangements for the smooth issuance of the Policy may be initiated taking into account the premium quotes as above. The below mentioned officials of National Insurance Co. Ltd may be contacted for any other information regarding issuance of the Policies: -

Sl	Name	Designation	Email ID	Mobile
1	Shri. Atul Malhotra	Regional Manager	atul.malhotra@nic.co.in	9643003649
2	Ms. Shradha Pantawane	Assistant Manager	shradha.pantawane@nic.co.in	9607900897
3	Mr Maulik Tripathi	Administrative Officer	maulik.tripathi@nic.co.in	9960347163

Yours faithfully,


Brajeshwar Sharma
 Senior Advisor (HR&IR)

Copy to: - Smt. Gayathri S Iyer, DGM, NICL.