



ALL INDIA BANK RETIREES' FEDERATION (REGD.)

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Ref No. 2026/0171

Date: 07.06.2026

The Chief Executive

Indian Banks' Association

Mumbai

Respected Sir,

Re: Group Medical Insurance Scheme for Retirees for 2025-26

Re: Deficiencies in Services by Insurance Companies/TPAs and Need for Transparency, Accountability and Effective Grievance Redressal Mechanism

We wish to invite your kind attention towards the serious difficulties being faced by a large number of retirees and family pensioners who have enrolled under the IBA Group Medical Insurance Scheme for the policy year 2025-26.

2.As per the provisional information available with us, about 1.60 lakh retirees/family pensioners have joined the scheme for the current year by contributing approximately Rs.450-500 crore towards insurance premium from their own resources. **Naturally, the beneficiaries expect efficient services, prompt claim settlement and a transparent grievance redressal mechanism from the Insurance Companies and Third-Party Administrators (TPAs) engaged under the scheme.**

3.However, we continue to receive a large number of complaints from retirees across the country regarding deficiencies in post-sale services rendered by TPAs and Insurance Companies. The major grievances reported are:

(i) Abnormal delay in granting cashless authorization at the time of hospital admission.

(ii) Delay in issuing final approval at the time of discharge, resulting in inconvenience and mental stress to patients and their family members.

(iii) Inadequate network and support system established by TPAs for handling beneficiaries' queries and grievances.

(iv) Delay in settlement of reimbursement claims extending to several weeks and months.

(v) Arbitrary and discriminatory deductions in admissible medical expenses without assigning specific reasons or citing relevant policy provisions.

(vi) Lack of effective communication and escalation mechanism for resolution of complaints.

(vii) Repeated demand for documents already submitted by claimants.

4. We note that while finalizing the tender document for the policy year 2025-26, IBA had incorporated several important safeguards intended to protect the interests of policyholders.

5. In particular, Page No. 18 of the tender document provides that:

"The successful bidder will have to provide list of TPA allocation in consultation with IBA at least 10 days before the commencement of the policy. Penalty may be imposed @ Rs.5 lakh per day for delayed submission of TPA allocation. The allocation of TPAs by Insurance Company will have to be done based on their strength in the geographies allocated. If needed, multiple TPAs can be allocated to a Bank."

6. The tender document further provides for continuous monitoring of TPA performance through a **Committee consisting of CGM (HR)/GM (HR) of five participating member banks**. The Committee has been empowered to review service deficiencies, recommend delisting of hospitals/medical units and even recommend **removal of TPAs** during the currency of the policy if performance remains unsatisfactory despite repeated observations.

7. While the above provisions are highly appreciable, we find that the names of the Committee members, **its functioning methodology, frequency of meetings, review parameters and procedure for lodging complaints before the Committee have not been made available to retirees and family pensioners who are the ultimate beneficiaries of the scheme.**

8. In the absence of such information, retirees are left without any **institutional mechanism** to bring to the notice of the Committee the serious deficiencies experienced by them in obtaining services from TPAs and Insurance Companies. **Consequently, the valuable monitoring mechanism envisaged in the tender document remains inaccessible to beneficiaries.**

9. We therefore request IBA to kindly make available the following information:

- (a) Names and contact details of the members of the Monitoring Committee constituted under the tender provisions.
- (b) Details of meetings held by the Committee during the current policy period.
- (c) Parameters adopted for evaluation of performance of TPAs and hospitals.
- (d) Procedure through which retirees and family pensioners can submit complaints and feedback directly for consideration by the Committee.
- (e) Action taken by the Committee on complaints received so far.

10. We further invite your attention to the provision appearing on Page No.19 of the tender document which stipulates:

"The Insurance Company will have to submit MIS on monthly basis giving detailed analysis on various parameters including claims received, claims approved, age-wise distribution of claims pending, average time being taken to approve/pay claims, etc."

11. The above provision has been incorporated with the objective of ensuring transparency, accountability and continuous monitoring of service standards. However, such information is presently not available to retirees and family pensioners despite being the stakeholders and beneficiaries of the scheme.

12. Availability of this information in the public domain would help all stakeholders to objectively assess the performance of Insurance Companies and TPAs, identify bottlenecks, improve service quality and strengthen confidence of retirees in the scheme.

12. We therefore request IBA to kindly share the MIS reports received from Insurance Companies for the current policy year, particularly with regard to:

- (a) Number of claims received.
- (b) Number of cashless claims approved and rejected.
- (c) Number of reimbursement claims received and settled.
- (d) Age-wise distribution of pending claims.
- (e) Average turnaround time for authorization of cashless claims.

(f) Average time taken for settlement of reimbursement claims.

(g) Number of complaints received against TPAs and their disposal status.

(h) Details of major deductions and repudiations.

15. We also request IBA to institute a structured grievance redressal mechanism at the central level under which retirees can register complaints regarding TPAs, hospitals and Insurance Companies and monitor their resolution within a prescribed timeframe.

16. Considering that the scheme covers about 1.60 lakh retirees/family pensioners and involves premium contribution of nearly Rs.500 crore annually, we believe that transparency, accountability and beneficiary participation in monitoring are essential for ensuring the long-term success and credibility of the scheme.

17. We shall be grateful if the above issues are examined urgently and suitable corrective measures are initiated. We also request that the information sought in this communication may kindly be shared with us for dissemination among retiree organizations and beneficiaries.

With respectful regards,

Yours Sincerely

A handwritten signature in black ink, appearing to read 'mabab', is written over a horizontal line.

**(S. C. JAIN)
GENERAL SECRETARY**

c.c. to

1. The General Secretaries, AIBEA, AIBOC, AIBOA, BEFI, INBOC, INBEFE, NOBOW, NOBRO

