



Ref: P/P/157
(CR No. 16/2016)
Date: 04.04.2016

**CORPORATE OFFICE - HR
INTER OFFICE MEMO**

	Ref : DP/3/5(A)/15
	Date : 29.3.2016
From	CO (HR), New Delhi
To	ED (HR), Mktg.- HO, Mumbai ED(HR) , Ref HO, New Delhi ED (HR), PL-HO, Noida DGM (HR) I/c, IBP Division, Mumbai DGM (HR) I/c, R & D Centre, Faridabad

Sub: Post-Retirement Medical Benefit Facility (PRMBF)

- 1.0 Annual ceilings of domiciliary and hospitals entitlements have been laid down for retired employees under Post Retirement Medical Benefit Facility Scheme, depending upon the category/group of the employee.

In the matter of regulation of domiciliary and hospitalization ceilings in various scenarios, CO had been issuing guidelines/clarification from time to time [i.e. references to CO (HR)'s IOMs No. DP/3/5(A)/114 dated 07.12.2004, DP/3/5(A)/47 dated 01.07.2005, DP/3/5(A)/54 dated 26.07.2005, DP/2/8(A)/50 dated 23.04.2008, DP/3/5(A)/27 dated 13.05.2009 DP/3/5(A)/57 dated 19.08.2009, DP/3/5(A)/32 dated 02.06.2014, DP/3/5(A)/40 dated 17.06.2014, and DP/3/5(A) dated 19.12.12].

- 2.0 However in view of different practices/understanding in Divisions regarding utilization of ceilings and booking of hospitalization expenses, we would like to **summarize the hospitalization related provisions as applicable in respect of members who are claiming domiciliary expenses under Self certification basis or Chronic option.**

(i) For Member under Self-certification basis:

- (a) The hospitalization ceilings under the scheme operate in a block period of two financial years (i.e. un-availed amount within the annual ceiling in the first year of the 2-year block can be carried forward to the next year of the same block. Similarly, the amount spent in excess of financial limit during the first year is adjusted against the combined ceilings for the first and second financial year (FY) of the 2-year block).

Any un-availed amount under Hospitalization entitlement of a block is allowed to be carried forward to be availed in the next block of 2 F.Y.s. The current block period of two FYs is 2014-15 & 2015-16, and the next block period of two FYs is 2016-17 & 2017&18.

- (b) Admissible Hospitalization expenses are reimbursed upto the prescribed annual hospitalization ceiling on a block period basis irrespective of whether the treatment has been obtained in nominated or non-nominated hospital(s).

★ Corrigendum

issued vide

LOM No. DP/3/5(A)/16

Date: 30.03.2016

- (c) All expenses on hospitalization in nominated or non-nominated hospitals, ~~domiciliary expenses on chronic ailments~~, costly investigations tests/ procedures, health check up etc are to be booked against the hospitalization entitlement (or a block period basis) of the employee in the order in which they are claimed.
- (d) Once the hospitalization ceiling available during block period has been exhausted on account of expenses incurred against items specified above under SI.No. 2(i)(c), no further reimbursement is admissible beyond the ceiling
- (e) However, Hospitalization expenses (subject to its admissibility as medical expenses under the Rules) incurred in nominated hospital on account of ailment(s) appearing in list of specified ailments is allowed to be reimbursed in full beyond the prescribed hospitalization ceiling. As regards the expenses incurred on account of ailment(s) other than mentioned in the list of specified ailments, the same is allowed to be reimbursed beyond the prescribed hospitalization ceiling upto 85% of admissible expenses.
- (f) If hospitalization treatment has been earlier availed in a non-nominated hospital anytime during a Financial Year (FY), the financial limit as laid down applies unless the member refunds the expenditure incurred earlier during that FY on hospitalization in the non-nominated hospital. However, expenses on urgent treatment taken in emergency are to be regulated as under :-
- In a case where urgent treatment is taken in emergency in a non-nominated hospital for a specified ailment, in such case refund of reimbursement claimed by the retired employee may not be insisted upon while shifting him in continuation of said treatment from the non-nominated hospital to a Nominated hospital.
 - In case where urgent treatment is taken in emergency in a nominated hospital for a specified ailment, in such case refund of reimbursement of expenditure incurred earlier during that financial year on hospitalization in non-nominated hospital(s) may not be insisted upon. However, in order to regulate the said reimbursement made earlier on account of hospitalization expenses in non-nominated hospital(s) during that financial year, the same shall stand recoverable from the member, which may be recovered/adjusted from the future payments to the concerned.

(ii) For members under Chronic ailment Option :


- a) The annual ceilings for both domiciliary and hospitalization are combined and to be operated on 2 FYs block period basis (i.e. carry-forward and brought-forward within the block is permissible).
- b) The annual combined ceiling (on block period basis) is available for settling the expenses on domiciliary treatment (including chronic ailment(s)), dental treatment, physiotherapy expenses, costly investigations/ tests, health check-up and hospitalization in non-nominated hospital, subject to submission of cash receipts/memos

- c) If member(s) undergo hospitalization in a nominated hospital, which can happen any time in a block of two FYs, the admissible expenses incurred on hospitalization in the nominated hospital are to be reimbursed/settled (@85% for non-specified ailments and @100% for specified ailments) without referring to the combined ceiling available for the block period. At the end of the block period, if any portion out of the prescribed hospitalization entitlement of that block period remains unutilized, the same can be utilized to pay to the retired employee against his hospitalization claim if initially settled @ 85% during the block period.
- d) Further, any un-availed combined ceiling amount at the end of block period is allowed to be carried forward to be availed in the next block period but it shall not exceed the hospitalization entitlement of the previous block period.

In other words, the un-availed combined annual ceiling amount that can be carried forward to be availed in the next block period shall be subject to the net consolidation (at the end of 2 FYs block period) on account of adjustment of the following expenses utilized against the combined annual ceiling amount :-

- Expenses incurred on items specified under Sl. No. 2.0(ii)(b);
- Expenses / adjustment of amount paid to the retired employee to utilize the available portion of the combined annual ceiling amount if initially settled @85% of admissible expenses during the block period [as specified under Sl. No. 2.0(ii)(c)]; and
- Expenses incurred on hospitalization in nominated hospital(s).

Upon computing the un-availed combined annual ceiling amount (after net consolidation/ adjustment as per above), the same is allowed to be carried forward to be availed in the next block period provided it does not exceed the hospitalization entitlement of the previous block period.


(Nishant Prasad)
SHRM

cc: ED (IS)-CO, CBTC, Gurgaon