

No. 1(1)/98/D(Pen./Sers)
Government of India
Ministry of Defence,
New Delhi

Dated 15th June, 1998

To

The Chief of the Army Staff,
The Chief of the Naval Staff,
The Chief of the Air Staff.

Subject : Implementation of Government's decision on the recommendations of the 5th Central Pay Commission—
Grant of fixed medical allowance @ Rs. 100/- p.m. to Armed Forces pensioners and their families (including
future pensioners/family pensioners/ and pensioners/family pensioners of erstwhile State Forces

Sir.

- The undersigned is directed to state that in pursuance of Government's decision on the recommendations of the 5th Central Pay Commission sanction of the President is hereby accorded to the grant of fixed medical allowance @ Rs. 100/- p.m. to Armed Forces pensioners/family pensioners for meeting expenditure on day-to-day medical expenses that do not require hospitalisation unless the individual opts for Out Patient Department (OPD) treatment in Armed Forces Hospital/M.I. rooms.
2. These orders shall apply to Armed Forces and State Forces pensioners/family pensioners who at the time of retirement/death were governed by pension regulations of Army, or corresponding regulations of the Navy and Air Force and under Pension Rules/Orders of erstwhile State Forces and are eligible for medical facilities after discharge, invalidment or retirement.
 3. Existing pensioners as well as the future retirees shall have to exercise one time option in the prescribed form (Annexure-I) to avail of medical facilities at OPD of Armed Forces Hospitals/M.I. rooms or to claim fixed medical allowance of Rs. 100/- p.m. In the case of future retirees, the option in the prescribed form shall be obtained by the concerned formation/unit/record office from where they are retiring along with other pension papers. In case of existing pensioners who opt for medical allowance specific entry to this effect shall be made in the PPO as well as in the pension certificate by the PDA. The Station Headquarters while issuing Identity Card to the pensioner shall check the position in this regard from PPO/pension certificate and restrict the facilities to indoor patient treatment only requiring hospitalisation where the pensioner opts for drawal of fixed medical allowance of Rs. 100/- p.m.
 4. Pensioners/Family pensioners who opt for medical allowance, an undertaking on the prescribed form as per Annexure II shall be required to submit to the effect that they are entitled to medical facilities at Armed Forces Hospital/M.I. rooms but opt for medical allowance. On the basis of this undertaking, pension disbursing authorities shall make an entry in regard of medical allowance in the PPO as well as in the pension certificate of the individual concerned and authorise payment of medical allowance. Such an undertaking can be obtained by the concerned Pension Disbursing Authorities viz. Banks, DPDOs and Treasuries every year along with other certificates, the pensioner is required to furnish. In the case of transfer of pension accounts from one Pension Disbursing Authority to another, a fresh undertaking has to be given by the pensioner to the new Pension Disbursing Authority. As and when grant of medical allowance to a pensioner/family pensioner is authorised by the Pension Disbursing Authority, intimation to this effect shall be sent to the CCDA(P) in the prescribed proforma (Annexure-III).
 5. The Officer Commanding, Station Headquarters for the first time make suitable endorsement on the Identity Card already issued to all the existing pensioners/family pensioners and also while issuing Identity Card to future pensioners with reference to endorsement made by the PDA/PSA on the Pension Certificate/P.P.O. regarding option for medical allowance restricting O.P.D. treatment at M.I. rooms/O.P.D. of Armed Forces Hospitals.
 6. The payment shall be made to the pensioner by the Pension Disbursing Authority along with pension/family pension on monthly basis.
 7. These orders will take effect from 1-12-1997.
 8. This issues with the concurrence of Ministry of Defence/Finance (Pension) vide their U.O. No. 1118/pen/98 dated 11-6-1998.



(SUDHAKER SHUKLA)

Deputy Secretary to Government of India