



ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION



(A.I.B.P.A.R.C.)

C/O BANK OF INDIA OFFICERS' ASSOCIATION
(EASTERN INDIA BRANCHES)
BANK OF INDIA, KOLKATA MAIN BRANCH
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Circular No. 35-21

Dated: 21.07.2021

Senior Office Bearers
PRESIDENT:

SHRI K.V. ACHARYA,
MOB - 9868220338

GENERAL
SECRETARY

SHRI S. SARKAR
MOB - 9674188524

TREASURER

SHRI A. N.
MUKHERJEE MOB-
9830302997

WORKING
PRESIDENTS:

1. SHRI K.B. BALLUR
MOB - 9481101106
2. SHRI P.S. PATKI
MOB - 8805607239
3. SHRI
C. GANGADHAR YADAV.
MOB - 9440528806
4. SHRI
S.B.C. KARUNAKARAN,
MOB - 9444772016

SR. VICE
PRESIDENTS:

SHRI
M.R. GOPINATH RAO
MOB - 9886309244
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SHRI P.V.L.N. SHARMA
MOB - 9440779797
SHRI R. K. SHARMA
MOB - 8171461116
SHRI RAM PAL
MOB - 9784405801
SHRI S. KUPPUSWAMI
MOB- 9444315928
SHRI TOM. THOMAS
MOB - 9447661680

For circulation among members of the Governing Council, State Secretaries, Special Invitees and Advisors.

Dear Comrade,

Sub: Group medical insurance policy for Bank Retirees for the year November 21 to October 22.

We have already informed our members by earlier circular that the Governing Council of AIBPARC at its meeting held virtually on 8th July,21 formed a Two--man Committee comprising of Com. P.S. Patki, Working President and Com. K. Chandrasekharan, Deputy General Secretary to finalize our suggestions on the above scheme which AIBPARC would be submitting to IBA. Different Affiliates of the organisation had also been asked to forward their suggestions/comments to the Two--man Committee for their consideration.

We have much pleasure to convey that two of our above--named Senior Leaders have worked hard and within shortest possible time have prepared a comprehensive document. Today We have submitted the paper to The Chairman, IBA for his consideration.

A copy of our letter written to IBA is being reproduced for information of our members.

With best wishes and regards,

Comradely Yours,

(SUPRITA SARKAR)
GENERAL SECRETARY

Encl: As stated.

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AIBPARC/GMISR/Email/2021

Date: July 21,2021.

**Chairman,
Indian Banks Association,
Mumbai.**

Respected Sir,

**Sub: Group medical insurance Scheme for Bank Retirees for the year
November, 2021 to October,2022.**

We are happy to know that IBA this year has started addressing the above-noted issue early from the months of June--July to avoid the hurry and hassle as experienced in previous years. As the Retirees of the Industry are the beneficiaries of the cover of group medical insurance, We, being the principal stake holders, have already lodged our claim before your good self to the right of consultation.

2. Sir, there is no doubt about the fact that the Scheme, introduced in October, 2015, brought much needed relief to the elder citizens of the Industry but it is painfully true that a large number of Retirees could not come under the umbrella of Medical Insurance Cover because of exorbitantly high amount of annual premium of ever--increasing nature and also for existence of lot many lacunae which can be removed by a careful study.

3. Keeping the urgency in mind, Our organization formed a High-Power Committee to study the subject in its entirety and to prepare a comprehensive paper after having broad--based consultation with our Affiliates. The Study, consisting of 4 chapters, is being submitted hereunder before your good self with an earnest request to kindly consider the same with sympathy and favour and call us urgently (may be virtually) for consultation.

**The Study on Group Medical Insurance Scheme for Bank retirees for
the year November, 2021 to October, 2022**

1. GENERAL.

a) Retirees of the Banking Industry are the persons who subscribe to the policy and it is normal expectation and requirement that their voices are heard. Hence AIBPARC/other retirees organisations should be consulted and their views enlisted before finalizing the terms and conditions of the policy.

b) The policy for working staff and retirees should be clubbed. The premium for working staff and retirees should also be the same and for calculation of claim ratio, such single/merged policy should be taken as base.

c) The base limit for providing super top up should not be cadre based. Instead, it should be based on cover limit.

d) IBA should insist on the Government and follow up for waiver of GST on Insurance premium payable by retirees.

e) Provision for Super top-up cover be made available for all slabs of Base Policy. Moreover, there should be introduction of additional Super top-up over and above the normal Super top-up at reasonable

cost.

f) There should not be any discrepancy in the amount of premium of all slabs of Base Policy and combination of Base Policy with Super top-up Policy. This is necessary to remove the discrepancy in premium which was prescribed for the year 2020-2021. Following examples which are only illustrative, bear enough testimony of the discrepancies: -- Under the existing Policy, the premium for Rs. 3 Lakhs Base Policy along with Super top-up cover of R. 2 lakhs works out to Rs. 27607/- whereas the premium for combination of Base Policy of Rs. 4 lakhs and Super Top-up cover of Rs. 1 lakh is stipulated at Rs. 34361. In both the cases, total cover is of Rs. 5 lakhs but the premium determined in later case is Rs. 34361 which is more by Rs. 6754. Such discrepancies exist in other combinations of Base and Super top-up cover options, which need to be removed.

Domiciliary Premium is more than the limit eligible for reimbursement. For getting reimbursement of Rs.40,000/- Retirees had to pay Rs.47,803/- i.e., For Rs.4 lakh base policy without Domiciliary the Premium is inclusive of GST Rs. 32,264/-, whereas for the same policy with Domiciliary cover the Premium is inclusive of GST is Rs 80,067/- (Difference Rs.80,067 minus Rs.32264 = Rs.47,803/-) whereas the eligible reimbursement is 10% of base policy amount Rs.4 lakhs i.e. Rs 40000/-. Hence this provision should be removed. In the Policy Document, the word "Domiciliary" should not find a place anywhere as it would create confusion. It can be mentioned as "any treatment taken without hospitalisation" or on OPD basis.

2. FINANCIAL ASPECTS.

a) The premium should be fully borne by the bank or substantially reduced.

b) As a matter of fact the premium so determined should be for a period of next three years.

c) In terms of the directive from Department of Financial Services vide their Notification No. [F.No. 14/7/92-IR](#) (Vol II) dated 24.2.2012, the premium in case of retirees should be borne by the Banks. Incidentally, Banks have posted highest ever net profits of Rs.102,252 crores for the year ended 31-03-2021 while combined net profit of public Sector Banks was of the order of Rs.31,817 crores;

d) Interest free loans to retirees for payment of insurance premium be made available by all Banks till the time Banks agree to pay the entire amount of premium for the Retirees.

3. POLICY ADMINISTRATION AND COVERAGE.

i) The base limit for providing of super top-up cover need not be cadre based and it should be limit based. Once for all the cadre-based classification should go and it should be based on the Retirees' affordability.

ii) The policy should cover retired employee, his spouse and also physically and mentally challenged children.

iii) Single Cover Policy should be allowed even if the spouse is alive.

- iv) One month gap between the Serving Employees Policy and Retirees Policy should be removed. Bank should take the policy for serving staff up to the month of October every year, irrespective of the month of retirement the staff.
- v) Those retirees who could not join earlier or had discontinued in previous years, should be allowed to join the Policy.
- vi) For Retirees staying abroad during the policy renewal period, IBA should advise the Banks to put in place a system for renewal of policy.
- vii) In Clause 3.1 of the policy, domiciliary treatment packages offered by hospitals for ailments like Covid-19 should be considered for reimbursement.
- viii) The Policy terms provide for reimbursement of Ambulance Charges and Auto/Taxi Charges at the time of Hospitalisation/Discharge. In case receipt from Taxi/Auto is not available, the reimbursement should be considered on the basis of declaration of the claimant.
- ix) Hospital Room rent should be 1.5% of base policy and ICU rent @ 2% of base Policy.
- x) The Policy should cover all modern therapies adopted by the hospitals for the treatment of various ailments.
- xi) In the case of critical illness like Cancer, costly hormonal injections are prescribed to the patients which is one of the stages of treatment. Though this does not require hospitalization, the same should be made admissible for reimbursement.
- xii) There should not be any ceiling for reimbursement of cataract surgery.
- xiii) The guidelines prescribed for settlement of claims and the fixed time schedule should be strictly observed by the Insurance Co./TPA.
- xiv) There should be a provision of Nomination facility, as there have been some instances where insured has no spouse. In such situation, claims should be settled on the basis of nominations made.
- xv) TPA should be common for serving staff and retirees so that it would be easier for the bank to co-ordinate.
- xvi) Banks should play a role of effective intervener to settle the grievances of retirees in regard to claims arising out of Policy. There should be a forum consisting of representatives of HR, TPA and RETIREES' ASSOCIATIONS at Head Office/Zonal Offices of the Banks to sort out the issues/ individual grievances. The meeting of this forum should be held at least once in three months
- xvii) The time period of 24 hours for intimating the TPA in case of unplanned admission is too short and should be extended to at least 48 hours from the time of admission.
- xviii) TPA should ensure that their portal is operative and accessible at all times. Tracking system should be in place for follow up of claims.
- xix) TPA/ Insurance Company should provide E- Card with

Photograph.

xx) In the event of non-availability of Aadhaar Card of the patient, Hospital/TPA should accept Bank's Identity Card or PAN card or Voter's card for admission/treatment.

xxi) Insurance Co. should engage services of only such TPAs who have sufficient network hospitals in all parts of the country. Denial of cashless facility by any of the network hospital should be viewed seriously and appropriate action be taken against such hospitals.

xxii) Instances of prolonged delay for approval of cashless facility/settlement of final bill at the time of discharge be averted by TPA and there should be a time limit of one hour for extending these services. Customer Service Personnel of TPA are not easily accessible. Hence there is need for TPA to put in place proper system and personnel.

xxiii) Concession in premium for the Retirees who have availed both the doses of Covid 19 vaccination may be allowed.

xxiv) Coverage is to be made available for transplant of Organs like Kidney/Liver etc.

4. ALTERNATIVE.

The Group Medical Insurance Scheme in its present form is subject to negotiations every year and its renewal every year is done on revised terms. This leads to a lot of uncertainties for the retirees in the matter of continuity for availing the cover of the scheme. In this background, as an alternative to the existing scheme, it would be worthwhile to introduce a scheme on lines with Central Government Health Scheme on payment of a one- time contribution by the retiree, a substantial portion of which may be borne by the bank.

We shall consider it a favour if you study the document with patience and respond to the aspiration of the retirees in a positive manner in line with the spirit of Governments letter dated 24th February, 2012 which did not stipulate that premium would have to be borne by the retirees.

With kind regards,

Yours faithfully,



(SUPRITA SARKAR)
GENERAL SECRETARY

