



ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION



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

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Circular no. 65-21

Date: September 27,2021.

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

Dear Comrade,

Sub: Group Medical Insurance Scheme for Bank Retirees for the year--2021--22.

Members are aware of the latest position in this regard by way of circulars issued from time to time. There is no doubt about it that the situation is very much adverse to the interest of Retirees. Notwithstanding best possible efforts of the organisation, the interest of the older citizens was badly ignored and the steep rise of annual premium of GMISR was in fact a disaster.

2. As for ourselves, We have not given up our efforts to bring some amount of relief to the Retirees by way of Subsidization to certain extent and also bearing the cost of GST by Banks. We have already written to IBA and UFBU and we shall write to Hon'ble Union Finance Minister soon about it. The question may come: Is there any time left? We think that there is still a month left before effecting the debit in individual account and some kind of salvage operation may be done if real desire is there from the concerned Authorities like IBA and the Government.

3. Meanwhile, as in other years, different written materials are floated in social media to allure and confuse the Retirees. Members who are in real distress not knowing what to do are very naturally feeling perplexed and running from pillar to post for suitable assistance and advice.

In such a situation, We feel that Our Retiree Comrades should ponder over seriously the following issues so that they do not become a prey to the gimmicks of some Brokers. When Medical Insurance Scheme was introduced in the Year 2015, IBA went through the Brokers only and our experience was that in the first year the Premium was made to appear reasonable and in subsequent two years the Premium was increased steeply though the same Broker's services availed by the IBA. In view of that it would be prudent not to be guided by the Broking Companies. The fact that the IBA itself has done away with the services of the Broking Companies should be an eye opener for us. The issues that are required to be considered are:



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(A) Certain brochures/leaflets are roaming in WA where generally three types of inadequacies are perceptible: denial of coverage at 80 years and beyond, lock in period for Pre-existing diseases for 3 years and reportedly certain capping in reimbursement of cost of specified diseases and insertion of Co-pay clauses in reimbursement.

(B) One organization of Retirees has circulated in WA an offer of a State--Owned Insurance company quoting much lesser amount of premium and offering identical coverage at an affordable cost. It is also stated that they formulated the scheme with the help of a Broker Company (name not given) and We understand that it has an inherent cost of brokerage. We are not sure about the authenticity of such offers but the following questions come to our minds:

(C) When IBA floated the RFP all leading Insurance Companies took part in the process and offered their quotations. After reported maintenance of all formalities, the National Insurance company Ltd was selected and no objection was raised by any other participating companies. In such a situation, the normal question comes to our mind: why the said company at that point of time did not quote lesser rates as is being done now? We are not sure whether certain individuals or a group of individuals are behind it but we feel that adequate transparency is absent.

(D) Many members have a question: Why our organization is not negotiating a policy with Insurance company directly without the mediation of IBA?

Comrade, the process is not so easy and simple. It is the last door left when all avenues are closed. Just to give an example, the first question to face is about participation--how many people will take part in the proposed cover? Is it possible for any responsible organization to tell anything without prior homework?

4.The issue of Medclaim is a very serious matter in the life of a Retiree and Organisation is totally obsessed with it. There will be adequate application of mind by the apex body of the organisation to determine the next course of action in the changed situation of an exorbitant premium without any sacrifice on the part of management. Till then, We cannot feel shy to tell our views to our own members:

* We know that to pay such a high premium, the Retiree will have to sacrifice many other priorities of life. Still if it is somehow possible, he/she should go for the full admissible value of Base policy and Super Top Up policy.

*For those Retirees who are not in a position to afford the premium for the full admissible coverage, he /she will have to use the benefits of multiple slabs and opt for lesser value of coverage than to remain out of cover. The suggestion may sound heartless but it is the reality.

5.We owe the responsibility of explaining the rationale:

* In IBA-- mediated policy, We can go to some parties for telling our grievances.

We can lodge complaints to individual Bank, IBA and government for redressal. Even if results are not always encouraging, still a forum is available.

*Since it is a tailor--made policy, coming into existence through Bilateral negotiation, many clauses favourable to Retirees are there which include, inter alia, no restrictive clause on age of joining, coverage from day one, no medical test on joining, no claim-rejection without approval of a committee comprising of representatives of TPA, Insurance company etc, and nonexistence of brokerage. Moreover, those who get out might not get the scope of re-joining.



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*We are always striving for betterment. In the last occasion, We succeeded in getting multiple slabs and lesser rate of premium for single Pensioner/Family Pensioner. Who can say that We shall not someday compel the Banks to bear a substantial portion of cost?

*More than anything else, the IBA came out with the Medical Insurance Scheme for the Retirees as per DFS, Ministry of Finance, Government of India letter of February 2012. For any dispute resolution or improvement in the scheme we can fall back upon IBA, Government and the UFBU as negotiating Unions.

* It is important to note that the Unions and UFBU have already taken up the matter with the IBA by Writing letters to them.

To sum up, our members are educated and experienced. We can only say that we have to be abundantly careful as coming out of the IBA Medical Insurance Scheme will make IBA and Government to free them from the responsibility of giving any Medical Relief to Retirees in future.

This time we should go All Out to see that the Banks bear the GST component completely and also subsidise the Premium amount. The Banks have also posted good net profits. The CEOs of the Banks must ensure at least this much when they are entitled for Free Medical Relief after their Retirement. They should respond to Honourable Finance Minister's advice to them while she addressed the AGM of IBA last November that the Past Employees and Officers of Banks should be treated as members of the same family even after their Retirement. Let us try hard to make IBA Medical Insurance Scheme more affordable and sustainable so that in the Short Term and Long-term it serves the purpose for which it was envisaged in the Bi Partite Settlement signed in 2015.

Right now We are waiting to see whether IBA and UFBU meet (as demanded) and some real relief comes. As a last resort, We shall draw the attention of Hon'ble Union Finance Minister and seek her intervention into it.

With best wishes and regards,

Comradely Yours,

Suprita Sarkar
General Secretary.