



ALL INDIA BANK RETIREES' FEDERATION (REGD.)

Flat No 101, Block C Shivom Residency, M. G. Road Indore- 452001

E-Mail ID sharbat_123@rediffmail.com Mobile: 8966019488

Ref: 2022/ 645

29.07.2022

The Convener
United Forum of Bank Unions
CHANDIGARGH

Dear Comrade,

Re: Group Insurance Policy for Retirees Renewal 2022-2023

Re: Minimum Basic Policy for retirees

We are happy to learn from UFBU circulars that during the recent meeting held with IBA authorities on group health insurance, UFBU has demanded introduction of concept of **Minimum Basic Policy** for retirees at free of cost. We convey our thanks and compliment for initiating discussion on this issue with IBA. We are of the view it will prove to be historical and milestone in effective health management of retirees.

2. It may be mentioned that some time back AIBRF had also identified demand of providing health insurance policy for Rs. 2 lakhs to all eligible retirees free of cost and premium to be paid out of staff welfare fund to ensure better participation ratio in group health insurance which is basic need for retirees. It is seen that despite good features of existing policy, participation ratio of retirees in scheme has not picked up mainly due to continuous increase in premium rates resulting in to the policy becoming unaffordable for large number of retirees. Considering these developments, AIBRF has decided to raise demand of cost-free health insurance to all eligible retirees. We are happy to see that with the support of UFBU leadership, it is under active consideration.

3. We further understand that IBA has formed committee drawing members from member banks, National Insurance Company and UFBU to examine the proposal of Minimum basic policy along with issues related to finalizing terms and conditions of next renewal. In this regard, we would like to offer the following suggestions

- (a) At present, two health insurance policies namely basic policy and super top policy are offered to the retirees on optional basis.
- (b) Now we suggest that basic policy may have two parts.(i) **Part A** should contain risk to be covered under concept of minimum basic policy to be offered to each and every eligible retiree free of charge.(ii) **Part B** should cover other risk **as per terms of settlement** where premium cost will be chargeable to individuals and will be available on optional basis. The risk already covered under Part A may be excluded from Part B which will help in reducing premium cost on it.
- (c) Super Top policy may continue in the existing form and should be made available on optional basis.
- (d) We understand that UFBU has given suggestions in modifying existing terms and conditions for retirees like introducing capping on identified surgeries, graded room rent entitlement as per category of place etc. so premium can be reduced. We feel that they may be considered judiciously without hitting retirees disproportionately at the time of settlement of claim.

(e) We are happy to see that UFBU has demanded clubbing of employee and retiree policies to determine premium rates based on combined claim ratio. It may be mentioned AIBRF has been raising this demand for last several years. It will help in reducing premium rates for retirees.

4. We once again request you to consider our above suggestions which are in conformity to the stand taken by UFBU for next renewal. We are sure with support of UFBU this year renewal terms for retirees will be pathbreaking and will go long way to provide reliable and affordable health insurance policy to retirees.

With Warm Greetings,

Yours Sincerely

A handwritten signature in black ink, appearing to read 'mabas', is written over a horizontal line that extends across the width of the signature.

(S. C. JAIN)
GENERAL SECRETARY

C.C. to Constituents of UFBU