



ALL INDIA BANK RETIREES' FEDERATION (REGD.)

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6th Conference Slogan- Pension Updation is Right of Bank Retirees

Ref: 2023/ 011

02.03.2023

Shri Sanjiv K. Bandlish
Convenor, United Forum of Bank Unions
CHANDIGARGH

Dear Sir,

Re: Renewal of Group Health Insurance Policy for Retirees for 2023-2024

We understand that initial preparation for renewal of group health insurance policy for retirees for next year (2023-2024) has already commenced in IBA. Committee of General Managers has been constituted to frame basic outline for next renewal.

2. As you know, continuous and unabated increase in premium rates in last 8 years since its inception is matter of serious concern of retirees. Premium rates have now reached to the level which is making the policy unaffordable for large section of retirees. Retirees are being forced to opt out of the scheme because of high premium rates despite the fact that health insurance is basic needs of the retirees and without it they are finding themselves completely helpless and leaving their health on the mercy of destination.

3. AIBRF is the largest organization of bank retirees with membership of more than 2.6 lakhs. In AIBRF, we consider Health Insurance for retirees as very important and vital issue. It may be clarified that AIBRF is fully aware and conscious about the ground reality that premium rates can not be expected to be static and is subject to increase. Our major concern on the scheme can be summarized as under:

- (a) Premium increase in case of retiree policy is much steep and dis-proportionate compared to increase in premium rates for employee policy during last 8 years. Group Insurance policy was basically designed for employees as per the settlement of 2015. It was extended to retirees as welfare measure as effective tool for health management at the advancing stage on the same terms and conditions subject to stipulation that premium cost will be borne by the individuals. This decision was welcome by the retiree community. **In fact, for the first 3 years, premium rates were uniform for employee and retiree policies despite the fact that claim ratio were different for these two groups in second and third year.** But from 4th year, for retirees' policy, insurance company started charging much higher premium compared to employee policy. We consider it as serious violation of terms of the settlement affecting retirees adversely. IBA is also not extending domiciliary benefits to retirees on the same terms and conditions applicable to employees and as provided in the settlement. We request you to highlight these violations to IBA for corrective action at the time of next renewal.

(b) AIBRF has been offering various suggestions to reduce premium rates for retirees for last 4 years. As you know, Our suggestions include like reduction in room rent entitlement from Rs. 5000 to Rs. 4000/- capping on specified surgeries etc. so premium rates can be reduced without any financial burden on banks. But we find that these suggestions have also not been considered by UFBU either due to lack of consensus among constituents of UFBU or lack of time. **We once again request you to kindly consider them and take them with IBA for consideration well in time so they once accepted can become part of the tenders to be floated for next renewal.**

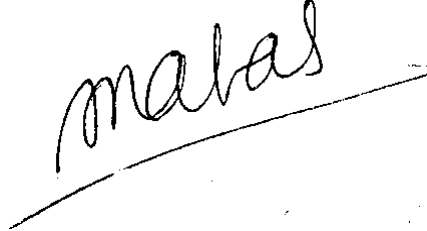
(c) We find that in SBI policy designed for retirees, several improvements/ changes have been introduced from time to time to make it affordable for all section of retirees. It is seen that present SBI policy is quite retiree friendly. We request you to take up this issue with IBA and request them to consider policy on the pattern of SBI for bank retirees.

(d) Health insurance is very vital issue for the bank retirees. Last year, from AIBRF side, we suggested that banks should give base policy of say Rs. 2 lakhs free of cost to all retirees covering some specified ailments etc. so each retiree will have some base cover to fall back in case of need. We understand that UFBU is largely in agreement for this concept. Last year, we understand that exercise required to be carried out could not be completed for want of time and deferred for next renewal. We request UFBU you to take up this issue with IBA on urgent basis so it can be considered and approved well before commencement of next renewal.

4. We are sure our above suggestions which are very vital for sustainability of health insurance policy for retirees will be considered favorably by UFBU and will be taken up with IBA for appropriate approval.

With Fraternal Greetings,

Yours Sincerely



(S. C. JAIN)
GENERAL SECRETARY

C. C. to

(1) Shri C. H. Venkatachalam
General Secretary, AIBEA

(2) Shri Rupam Roy
General Secretary, AIBOC

(3) Shri S. Nagarajan
General Secretary, AIBOA

(4) Shri D. Basu Choudhary
General Secretary, BEFI

(5) Shri O. P. Sharma
General Secretary, INBEF

(6) Shri Man Mohan Das
General Secretary, NOBW

(7) Shri Prem Kumar Makkar
General Secretary, INBOC

(8) Shri Aadars K. N.
General Secretary, NOBO

