



## **ALL INDIA BANK RETIREES' FEDERATION (REGD.)**

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**6<sup>th</sup> Conference Slogan- Pension Updation is Right of Bank Retirees**

Ref: 2025/0051

Date: 20.06.25

The Office Bearers/Central Committee Members/ State Committee Chiefs  
A.I.B.R.F.

Dear Sir

### **Re: Modifications in IBA Group Medical Scheme renewal for 25-26**

As per the UFBU Communications under circulation in social media and minutes of the meeting convened by IBA on 13.06.2025 to finalize modifications in group medical scheme for retirees, following important changes have been made in the scheme

- (a) Sum assured limits have been enhanced as under (i) For award staff from Rs. 3 lakhs to Rs 4 lakhs (ii) For officer staff up to scale V from Rs. 4 lakhs to 5.25 lakhs and (iii) for officer of scale VI and above from R. 4 lakhs to 7.00 lakhs. In this way now there will be three categories for retirees instead of present two.
- (b) Mentally/physically challenged dependent family members shall be included by way of add on and any additional cost for this add on will have to be borne by the retiree.
- (c) Robotic surgery shall be considered in cases where the condition of patient warrants such treatment.
- (d) Cataract operation, upper cap shall be Rs. 40000/- per eye. **(first time formal capping on any treatment in the IBA policy).**
- (e) Hormonal therapy for cancer and immunotherapy for non-cancer will be included in the policy.
- (f) Super top policy will be issued for sum assured of Rs. 1 lakh, 2 lakhs and 3 lakhs.

**2. As per the communication of UFBU, this year also, employees and retirees' policy will be combined one with same terms and conditions and with same amount of premium.**

3. The above modifications carried in IBA Group medical scheme are likely to pose the following challenges for retirees

(a) You will find that all revised sum assured are tight jacket one without any flexibility. In other words, one has only two options either to go for insurance for specified sum assured or skip the insurance. For example, award staff retiree has to go compulsorily for sum assured of Rs. 4 lakhs irrespective of his/ her requirement and paying capacity. The enhanced limits will result in to increase in premium for retirees which how many will be able to afford need to be examined.

(b) Sum assured limits have been enhanced as under

	Existing	proposed	Enhancement
1. Award Staff	3.00 Lakhs	4.00 Lakhs	33%
2. Officer up to V	4.00 Lakhs	5.25 Lakhs	31.25%
3. Officers above V	4.00 Lakhs	7.00 Lakhs	75%

(c) The above increase in sum assured will result in to increase in premium rates for retirees by 33% to 75% which will be substantial additional financial burden on retirees. How many retirees will be able to afford additional financial burden is to be seen. We are afraid many will be forced to opt out of the scheme due to unaffordability reason.

(d) It is also to be seen whether such increase is need based for retirees and will provide additional corresponding benefits to them. It is mentioned in UFBU circular that 80 per cent claims are in the region of Rs. 50 to 60 thousand. With this sort of empirical data, we do not think there is any justification in enhancing sum assured putting additional financial burden on retirees who are required to bear premium cost. Considering these facts, it appears that the modifications are likely to put retirees in disadvantageous situation.

(e) It is fact that IBA and Unions are not ready to hold any consultation with retiree organizations on group medical scheme or any other retiree issues despite AIBRF continuous follow up in the matter for last several years. IBA stand on this issue is that they are professional body and enjoys no authority to hold discussion with retirees without specific mandate from member banks. Unions are of the view that it is not practical to hold consultation with retiree organizations for various reasons on retiree issues and they decide retiree issues through negotiation which they consider in the interest of retirees and expect retiree organizations to accept the decisions without questioning them. It is also peculiar situation that IBA enjoys mandate from member banks to decide on retiree issues including

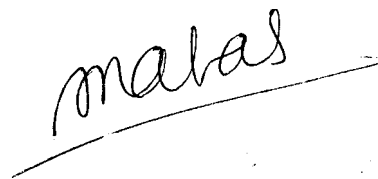
group medical scheme but does not have authority from member banks to hold discussion with beneficiaries who are directly affected. Whether this argument of IBA is legally tenable, we feel at AIBRF level it needs to be critically examined and necessary steps need to be taken to provide more legitimacy and credibility to retiree movements in banks. It appears that Unions are not in mood to address this issue seriously for the reasons best known to them.

(f) It is also seen that sum assured for Super Top policy have been reduced from last year maximum limit of Rs. 5 lakhs to Rs. 3 lakhs this year. This decision will also adversely affect retirees as higher limit under super top policy gives better leverage to retirees to manage higher medical expenses through mechanism of lower base policy and higher super top policy to keep premium cost at manageable level. It is seen that it is universal trend. IBA was also following this policy in the past. But in the new agreement it is reversed which will again put retirees in dis-advantageous situation. What is the rationality in reversing the position is not known as the settlement provisions are silent and no mechanism is available to retirees to ascertain the logic for this either from IBA or Unions.

4. The above developments are proposed to be deliberated in forthcoming office bearers meeting to be held on 26<sup>th</sup> & 27<sup>th</sup> June, 2025 through video conferencing to find out some specific and acceptable solution to the issues created through above modifications in the scheme to protect interest of the retirees.

With Warm Greetings,

**Yours Sincerely,**

A handwritten signature in black ink, appearing to read 'malas', written over a horizontal line.

**(S. C. JAIN)**  
**GENERAL SECRETARY**