

ALL INDIA BANK RETIREES' FEDERATION(REGD.)

D/1/ Sector C Scheme No. 71 Indore 452009



SILVER JUBILEE YEAR (1994-2019)



Ref. N.2019/311

05.09.2019

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

Dear Comrades,

Re: AIBRF efforts in reducing insurance premium for next renewal

As you are aware AIBRF has been making all out efforts independently and jointly with CBPRO to ensure reduction in premium of group insurance policy for next renewal. We have issued several communications on this issue with copies to you offering our suggestions in this regard and advising the position obtaining at present in the matter.

2. As you know support of UFBU and its constituents is necessary to achieve the results. One of the suggestions offered by us is that in order to keep premium level low for retirees room rent may be kept at the existing level. We understand on represents made by some constituents of UFBU IBA is in the process of finalizing the premium with provision to increase room rent limit to Rs. 5000 for employees and retirees.

3. We are in touch with leaders of UFBU to persuade them to keep bed charges at the level of Rs 4000 only at least for retirees so premium may be kept at minimum to protect interest of most venerable class among retirees like those retired prior to 2002, family pensioners and those retired before 1986 drawing ex- gratia payments only. Their number is approximately 1,50,000 and constitute almost 45 per cent of total pensioners. We hope UFBU and its constituents will realize the need of this venerable class of retirees and roll back their representation to increase bed charges to Rs. 5000 at least for retirees which is the main reason for likely increase in the premium for next renewal.

4. To supplement efforts of central office, We request our office bearers/ central committee members/ state body functionaries to meet local leaders of UFBU constituents and explain the need for reduction in premium for retirees. **You may also point out that we are requesting for reduction by sacrificing our benefits and without encroaching benefits of other section. We hope such meetings will create favorable atmosphere for our issue.**

5. We have since received reply of joint representation on this issue from IBA which is highly disappointing. Copy of the same is enclosed for your information. We are analyzing the same in consultation CBPRO

leadership and decide future course of action to be taken to pursue the matter. We shall keep you informed the developments.

5. We enclose copies of the communications issued by us from time to time for your ready reference. We below reproduce news item published in **Economics Times Kolkata edition dated 06.09.2019** on the issue.

6. CBPRO & AIBRF have written joint letter to Convener UFBU to give time to meet our representatives to explain our requirements to keep the premium at affordable level. We hope UFBU Convener and its constituents will respond positively to our request.

7. We may add that CBPRO & AIBRF who represent 100 per cent retirees in banking industry are united and handling the issue in close coordination. Some fringe groups who are active in social media make attempts to spread rumors creating confusion among the membership. We request all of you to explain members to ignore such rumors and show faith in the organisation. We would like to add that today retiree movement in banking industry has emerged as strong one in last decade and can not be taken lightly.

8. We call upon you to be in readiness to respond any call needed to be taken on this issue depending on the developments.

With Revolutionary Greetings,

Yours Sincerely,



(S.C.JAIN)

GENERAL SECRETARY

News item appearing in Economic Times, Kolkata Edition on 06.09. 2019.

Mediclaim premium for retired bank employees set to rise by 10-15%

The premium for FY20 may rise to Rs 30,000 a year from Rs 26,000 for those who retired as workmen employees, irrespective of their pension earnings.

“Among all general insurance companies including private players, United India bid the lowest, the persons cited earlier said. The renewal process is being conducted by Indian Banks’ Association (IBA).”

Group Mediclaim policy covers existing and retired employees. While banks bear the premium burden for the current employees, the likely rise in premium is going to hurt retired bankers. Several retired bankers opted out of the scheme in the past, failing to foot the premium bill.

While we agree that increase in benefit is a welcome sign for the beneficiaries, but top priority for retirees is to keep the rates affordable. Premium rates have gone up

more than four times in the last four years,” said SC Jain, general secretary of All-India Bank Retirees’ Federation, in a letter to All-India Bank Employees Association (AIBEA) general secretary CH Venkatachalam.

The premium for FY20 may rise to Rs 30,000 a year from Rs 26,000 for those who retired as workmen employees, irrespective of their pension earnings. Repeated rise in annual premium has forced many retirees to opt out of the scheme, especially those who retired before 2002

For instance, some 120,000 former bank employees who had retired before 2002 with Rs 1.5 lakh annual pension, 50,000 family pensioners with Rs 95 lakh annual pension, and about 900 pre-1986 retirees who get just about Rs 40,000 ex-gratia payment annually, are most likely to opt of it, as they may not be able to pay a higher premium.

Retirees from the above categories are the most vulnerable class and need support from all of us for continuance of the scheme at a reasonable rate,” Jain said.

Suggestions to create different slabs of insurance coverage has gone to IBA.

“We have requested IBA not to raise insurance premium for retirees,” Rajen Nagar, president at AIBEA said.”