



ALL INDIA BANK RETIREES' FEDERATION (REGD.)

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

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Ref: 2021/ 577

30.09.2021

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

Dear Sir,

Re: Renewal of Group Insurance Policy for 2021-2022

As you are aware IBA has since announced terms and conditions and premium rates for renewal of group insurance for retirees for the year 2021-2022 as per IBA circular No. HR&IR/MBR/MEDINS/10340 dated 17TH September,2021.

2. It is found that next renewal premium rates have gone by 40 per cent in case of award staff and 34 per cent in case of officer staff retirees. One and everybody is feeling that increase in premium at the above level in one go is very steep and beyond paying capacity of large section of retirees.

3. In order to discuss this development, Emergency meeting of the office bearers was convened on 19.09.2021. After detailed deliberations on the subject, the following decisions were taken.

- (a) AIBRF should submit representation to IBA lodging our protest and expressing our displeasure for this steep and unbearable increase in premium rates for next renewal and request them to reconsider the matter and reduce the premium to last year level. Letter No. 2021/571 dated 17.09.2021 sent to Chief Executive, IBA offering various suggestions including grant of subsidy for payment of premium, reduction in GST was placed before the house for approval. The letter was unanimously approved by the house.
- (b) AIBRF should coordinate with UFBU Convener and its constituents for taking up the matter with IBA for reduction in the premium. We find that UFBU has also taken up the matter with IBA for reduction in premium vide UFBU letter No. 2021/14 dated 20.09.2021.
- (c) In view of steep increase in premium, some of AIBRF affiliates expressed desire to launch/ continue with alternate policy for its members as done by some of the affiliates last year. The committee was of the unanimous view that affiliates may do so after due diligence of the terms and conditions of the scheme.
- (d) AIBRF would continue to take steps for reduction in premium in short term and to achieve further improvements in the scheme for the benefit of the members like subsidy at industry level and reduction in GST etc. in IBA policy.**
- (e) In case of need, further meeting of office bearers may be convened on the subject.
- (f) It was further decided that after closer of IBA Health Insurance renewal for 21-22 and response from the retirees, AIBRF would examine the position and would take steps to introduce alternate policy for left over retirees if needed. As advised earlier, sub- committee for this purpose has already been constituted.

4. We find that National Insurance Company has since rationalized and revised rates of premium for officer staff retirees from the rates announced initially thereby removing difference in rates between award staff and officer staff retirees. Now, in case of officers, rates has come down from Rs. 1550/ to Rs. 7000/-. Chart giving premium chargeable, inclusive of GST under 12 options are enclosed for ready reference.


5. We find from data of last year and of earlier years too, maximum number of retirees have opted for IBA policy. Further, in order achieve long term object to fully conceptualize Uniform Medical Scheme for retirees and to make it reality in full sense, AIBRF will continue to support IBA policy and work for its improvements. In view of this, all our affiliates are requested to give due publicity to IBA scheme to create awareness among members, coordinate with bank management and extend all required support to members in exercising option.

6. It will not be out place to mention that IBA policy has several unique features like room rent limit of Rs. 5000/- in case of 3lakh and 4 lakhs categories, no caping on claim amount for any ailment, post hospitalization reimbursement of medicine cost up to 90 days, no proportionate deduction for other charges in case room rent is higher than prescribed limits etc. **make it very special and attractive at the time of settlement of claims.** It is seen that alternative policies available in the market have many restrictive clauses. Because of this position, it is seen that even in claim of Rs. 2 lakhs under many circumstances, claim amount could be lesser by 70 to 80 thousand under alternate policies compared to IBA policy. Therefore members may be advised to take informed decision after going through terms and conditions incorporated in Policy Document and offer letter and also analyzing paying capacity at the time of entry and likely loss/benefits at the time of claim. In fact, different alternate policies (sponsored by banks and others) and IBA policy are strictly speaking not comparable.

With Warm Greetings.

With Warm Greetings,

Yours Sincerely



A handwritten signature in cursive script, appearing to read 'mabas', is written over a horizontal line.

(S. C. JAIN)
GENERAL SECRETARY

