



NATIONAL CONFEDERATION OF BANK EMPLOYEES

(Registered under the Trade Unions Act 1926 - Registration No. B-2334)

Registered Office & Head Quarters

Post Box No. 528, SBI Buildings, Bank Street, Koti, Hyderabad-500 095.

All letters to be addressed to the General Secretary

CIRCULAR NO.06 **TO ALL MEMBERS:**

Date: 15.04.2016

MEETING WITH IBA

We reproduce hereunder the full text of Circular No. UFBU/2016/55, dated 15.04.2016, issued by Com. M.V. Murali, Convenor, United Forum of Bank Unions, the contents of which are self-explanatory.

(M. V. MURALI)
GENERAL SECRETARY

"1. DISCUSSIONS WITH IBA:

In response to our letter to the IBA seeking discussions on follow-up actions on some of the issues raised by us, IBA had fixed up a meeting with UFBU on 13th April, 2016 and accordingly the meeting was held in IBA's Office as scheduled. IBA was represented by Mr. M V Tanksale, Chief Executive, Mr. K. Unnikrishnan, Dy. Chief Executive, Mr. Visweshwar, Senior Advisor, Mr. K S Chauhan, Senior Vice-President-HR & IR and other officials of the HR-IR Department. UFBU was represented by representatives of all the 9 constituents.

a) Difficulties faced by employees/officers in implementation of Medical Insurance Scheme:

We pointed out the following:

- i. While the Scheme covers reimbursement of Rs. 3 lacs and Rs. 4 Lacs for clerks/substaff and officers respectively plus additional coverage from Corporate Buffer, some of the managements are maintaining that the coverage is only restricted upto Rs. 3 lacs and R. 4 lacs. The correct position should be suitably clarified to all the Banks and in turn by all Banks to the employees at large.
- ii. An important advantage of the Scheme is the Cashless facility available for treatment in hospitals. But instances are coming to our attention that in many centres, many hospitals are not covered by tie-up and hence employees are asked to pay for the treatment and then seek reimbursement.
- iii. IBA and Banks should take up with the TPAs to ensure that maximum hospitals are covered by tie-up so that employees are not put to difficulties to avail cashless treatment facility.

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- iv. The Settlement and the Scheme clearly provide that employees would submit the Bills to the Banks as in the past and the Bank should submit the Bills to the TPA to get the reimbursement. But some of the managements are asking the employees to submit the Bills directly to the TPA. This should be stopped and suitable instructions should be given.
- v. There are instances of death occurring during treatment in hospital and if it happens to be Sunday or holiday, the hospital/TPA do not come to the rescue and the family is facing problems in getting the body of the patient in time. Such things should not be allowed to happen.
- vi. Instances have also come to our attention where certain treatments like Dialysis, etc. are disallowed by the TPA though covered by the Scheme and the employees are forced to pay the cost to the hospital. Hence our scheme should be properly implemented by the TPAs and employees should not be put into such hardship.
- vii. In the case of Bills submitted to the Banks for domiciliary treatment, there are many complaints of undue delay by the TPAs and managements are not taking steps to liaise with them to expedite the claims. Special attention is required in this regard and necessary steps are to be taken.
- viii. Though Corporate Buffer facility is available for claims over Rs.3 lacs/ Rs.4 lacs, many Banks are yet to issue guidelines for utilisation/claims under the buffer limit. This defeats the very purpose of the facility. IBA should advice all the Banks to issue proper instructions on utilisation of the corporate buffer amount.
- ix. **SCHEME FOR RETIREES TO COVER DOMICILIARY TREATMENT:**

Though the Settlement and the Scheme provides for reimbursement of domiciliary treatment for the retirees, this has been denied by UIIC in violation of the scheme and IBA should ensure its implementation. Otherwise UFBU will be constrained to agitate on this issue.

In response, IBA informed us as under:

- By and large, the Scheme is working well.
- 37 Banks are covered by the Scheme relating to serving employees
- 6,50,000 employees/officers are covered by the Scheme.
- Total premium of Rs. 379 crores has been paid for this year.
- During the current policy year i.e. from October, 2015, upto March, 2016, total of 1,02,603 claims for Rs. 168 crores have been settled and paid.
- So far 35 Banks have joined the scheme under retirees' policy
- 2.05 retirees are covered by the scheme now
- Total premium of Rs. 123 crores has been paid
- Upto March, 2016, 7,069 claims for Rs. 45.50 crores have been paid.

On the problems brought to their attention as mentioned above, IBA informed that they will take up all these issues with the UIIC/TPAs and also with all the Banks to ensure smooth implementation of the Scheme.

Regarding coverage of domiciliary treatment under the scheme for the retirees, IBA informed us that they are fully seized of the issue and have taken up the matter with the top officials of UIIC and are awaiting a positive outcome and resolution of the issue.

b) Next Wage Revision for employees/officers:

IBA informed that in view of the Government guidelines, they would take up this issue, after the Balance Sheets of the Banks for the year ended 31-3-2016 are finalised.

c) Follow up of pension related issues as covered by Record Note dated 25-5-2015:

- i. **Revision in rate and quantum of Family Pension:** IBA reiterated their standpoint that they are positively inclined to consider this demand by revising the rates and quantum of Family Pension.

IBA, however, pointed out that unless the exact additional outgo is worked out and additional corpus required for the same is ascertained based on actuarial calculations, it would not be possible for them to commit anything at this stage. It was further informed by them that the details have been called for from the Banks for this purpose.

We asked IBA to expedite the collection of the details so that the actuarial calculation exercise can be undertaken and expedited to take this issue forward.

- ii. **Periodical updation of Pension:** We took up the demand of periodical updation/revision of pension along with every wage revision settlement. IBA informed that this was a major issue and huge additional corpus fund has to be provided for meeting this demand which is not feasible in the present circumstances when the financial conditions of the Banks are not good. We insisted that this issue cannot be left like this and a way has to be found out to resolve the matter amicably.

We suggested that pending the exercise of ascertaining the cost, some adhoc increase in existing pension of the retirees can be considered and requested IBA to examine the same. IBA replied that any revision in pension amount would have cost implications and hence cannot react on our suggestion without proper working out.

- iii. **Uniform DA formula for Pre-Nov. 2002 Retirees:** To this demand, IBA informed us that firstly, the issue is subjudice to be discussed as court cases are involved in the matter and secondly, the cost impact is to be worked out and if at all any consideration can be given, it can only be on a prospective basis.

2. UFBU MEETING:

Thereafter, UFBU meeting was held under the Presidentship of Com K K Nair, Chairman of UFBU.

INCREASING ATTACKS ON PUBLIC SECTOR BANKING:

The meeting took a review of the developments taking place in the banking sector on account of the various policy decisions of the Government like appointment of Banks Board Bureau, appointment of private sector Executives to head PSBs, proposals of consolidation and mergers, reduction in Government's capital in PSBs, selective capitalisation of Banks, encouragement to private sector banking, allowing Small Banks and Payments to private corporates, privatisation of IDBI Bank, increasing bad loans in the Banks and concessions being given to defaulters, huge provisions towards NPAs and showing PSBs in poor light, privatisation of RRBs, etc.

The meeting unanimously felt that these are anti-public sector banking measures to suit their agenda of privatisation of Banks and hence will have to be resisted and fought back. It was decided that agitational programmes are to be undertaken to campaign amongst the people and to convey our opposition to these moves.

ANTI-BANK PRIVATISATION DAY on 1st MAY, 2016:

To begin with, it has been decided that the ensuing May Day on 1st May, 2016 should be observed as Anti-Bank Privatisation Day through posters, meetings, rallies, processions, etc. under the common banner of UFBU at all centres.

It was also decided to address a letter to the Finance Minister drawing his attention to our viewpoints on these measures and urging upon him not to proceed with the same.

Further programmes including strike actions will be decided in due course.

CALL FOR NATIONAL GENERAL STRIKE ON 2ND SEPTEMBER, 2016 BY CENTRAL TRADE UNIONS:

In the recent Trade Union Convention held on 30th March, 2016 by the Central Trade Unions, the call has been given to observe National General Strike on 2nd September, 2016 against the continued anti-labour policies of the Central Government and their proposals of anti-worker labour reforms. The meeting took note of this strike call. It was decided to discuss the matter further in the next meeting of the UFBU.

NEXT MEETING OF UFBU ON 11th May, 2016:

It has been decided to hold the next meeting of the UFBU at Hyderabad on 11th May, 2016 to chalk out further agitational programmes."

With greetings,

Sd/-
(M.V. MURALI)
CONVENOR