

UNITED FORUM OF BANK UNIONS

(AIBEA-AIBOC-NCBE-AIBOA-BEFI-INBEF-INBOC-NOBW-NOBO)

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SANJEEV K. BANDLISH

Convenor

LETTER No. UFBU/2022/4

Date: 07-07-2022

**Shri Brajeshwar Sharma,
Sr. Advisor – HR & IR,
Indian Banks' Association
Mumbai**

Dear Sir,

Reg: Group Medical Insurance Scheme

This has reference to the discussions we had with IBA on 8th June, 2022 regarding the ways and means to bring down the rate of premium on the Group Medical Insurance Policy, particularly with reference to the Policy applicable to the retirees.

This is very important and urgent because the premium has been going up steeply year after year as under:

Year	Officers Basic Policy for Rs. 4 lakh		Workmen Basic Policy for Rs. 3 lakh	
	Premium + GST	Total	Premium + GST	Total
2015-16	6573 + 920	7493	4930 + 690	5620
2016-17	13935 + 2090	16025	10452 + 1568	12020
2017-18	13935 + 2508	16433	10452 + 1881	12333
2018-19	24400 + 4392	28792	18301 + 3294	21595
2019-20	28130 + 5063	33193	21099 + 3798	24897
2020-21	27342 + 4922	32264	20508 + 3691	24199
2021-22	36652 + 6597	43249	28715 + 5169	33884

In view of the above, we need to revisit some of the ingredients of the scheme with a view to reduce the premium which is affordable to the retirees.

Keeping this in view and as discussed and explained in the meeting on 8th June, 2022, we submit the following for the consideration of IBA in order to suitably amend our 10th BP Settlement /7th Joint Note of 25-5-2015.

1. **The existing uniform rate of bed charges/room rent per day at Rs. 5000 uniformly applicable all over the country may be revised and re-fixed in a graded manner according to the areas like, metro, urban, semi-urban, etc. or based on population bracket of the centres.**
2. **For certain specific treatments, some ceiling or cap may be worked out, if found necessary.**
3. **The Basic policy can be designed to cover all treatments of normal diseases, surgical treatments but exclude very major and complicated surgical treatments like kidney transplantation, major heart/brain surgeries, etc.**
4. **These complicated surgeries and otherwise uncommon treatments in the normal course may be made optional at the choice of the insured and at additional premium.**
5. **The policy relating to in-service employees and retirees can be clubbed together as a single composite Policy with Part I for in-service employees and Part II for retirees.**
6. **While Part I of the Policy will be applicable to in-service employees and officers, Part II of the Policy to be made applicable to retirees.**
7. **Part I of the Policy can cover insured amount as per existing Settlement and for Part II applicable to retirees, a separate graded and minimum basic sum assured can be mutually worked out.**
8. **The premium on this composite and combined Policy to be paid by the respective Banks. As per Government guidelines to Banks F. No. 12/6/32/2006-IR dated 7-2-2007 and IBA communication to Banks No. PD/76/674/ 2006-07/1330 dated 28-2-2007, Banks were advised to allocate a portion of the Staff Welfare Fund towards welfare of retirees. Hence Banks would not find it difficult to pay the premium of the Policy upto the Basic sum assured.**
9. **Over and above this, other flexible and additional cover may be offered by the Insurance Companies on an optional basis, for which the retirees would bear the cost of such additional premium.**
10. **Since medical expenses are not directly related to consumption of goods and services by the insured, Government to be approached for exemption of GST on the premium.**

We will collate the various roadblocks and pain points experienced by employees/officers at present at the hospitals and issues with TPA and insurance Company for your information. Simultaneously, our suggestions on improvement in the scheme etc. will be sent separately.

Thanking you,

Yours comradely,


(SANJEEV K. BANDLISH)
CONVENOR