

CIRCULAR TO ALL UNITS

**READ AND CIRCULATE**

5<sup>th</sup> November, 2016

Dear Comrades,

## **DISCUSSIONS WITH IBA ON MEDICAL INSURANCE POLICY**

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Units would recall that during the last wage revision process, we demanded that in view of the increasing cost of medical treatments, the entire expenses towards reimbursement of hospitalisation expenses incurred by employees/ officers and their families should be kept out of the additional load agreed by the IBA and there should be full reimbursement of the expenses. While IBA agreed to keep the cost out of wage revision calculations, they offered to introduce a medical insurance scheme with a coverage of Rs. 3 lacs for workmen and Rs. 4 lacs for Officers with additional benefits like buffer coverage, etc. After a lot of discussion, the scheme offered by them was substantially improved upon and the scope of coverage was also expanded to benefit the employees. Similarly, due to our consistent demand, the scheme was also extended to the retired employees/officers on payment of the stipulated premium.

In the last one year we have been receiving feedback from our unions and members about the difficulties encountered by them in the implementation of the scheme. We have been pursuing these issues with the IBA also.

In the meantime, when the time for renewal of the Policy came up, while some increase in premium was expected in view of the increased claim ratio, without any justification or proper discussion, the premium rates were increased exorbitantly by the UIIC both for in-service employees/officers as well as for retirees. Hence the issue was taken up by us with the IBA. Accordingly on 26th of October, 2016, AIBEA and AIBOA along with other constituents of UFBU met the IBA.

During this meeting, we took up the following issues with the IBA:

- The present Medical Insurance Scheme was introduced in the last wage revision settlement in replacement of the earlier reimbursement scheme to enable better coverage and full reimbursement.
- In the implementation of this Scheme employees/officers/retirees have been facing many problems in settlement of their claims.
- Though these problems were brought to the attention of the IBA in the earlier round of meeting, adequate steps have not been taken to resolve the same and the problems faced by the claimants have aggravated.
- The main problem faced by the claimants are from the side of the TPAs. They do not collect the claims regularly and there is also inordinate delay in many cases in settlement. More number of TPAs should be appointed and claims are to be settled in time.
- IBA-UIIC should regularly monitor the TPAs and ensure that TPAs do not create any problem in the settlement of claims.
- More hospitals are to be enlisted under Cashless Facility as assured at the time of introduction.
- UIIC should be advised to ensure that hospitals do not charge heavily just because it is cashless treatment. IRDA guidelines should be implemented by the hospitals to charge prescribed rates and UIIC must ensure the same.
- Wherever cashless facility is not available in a hospital, sufficient advance should be given by the managements to the employees.
- IBA/Banks should ensure that all new recruits are immediately covered by the scheme on joining the banks as provided in the Settlement. Instances have come where some new recruits have faced problems while hospitalising their parents.
- Utilisation of buffer amount has not been handled properly by many Banks. It should be more transparent. The utilisation details for the year 2015-16 by all the banks should be given to the union. Uniform guidelines are to be given to the Banks.

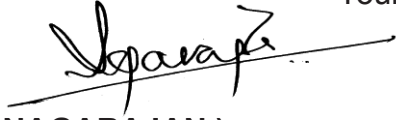
- TPAs are rejecting the claims made for hospitalisation under other systems of medicine though it is covered in the settlement. It should be properly clarified to TPAs and UIIC.
- Family definition is being unilaterally interpreted by the UIIC/TPAs against the provisions of the settlement. (eg. Any two of the parents or parents-in-law).
- Employees/officers are facing lot of difficulties in getting their claims for domiciliary treatment.
- For retirees, domiciliary coverage was unilaterally denied by UIIC though provided in the settlement. All these claims of 2015-16 should be settled.
- Any increase in premium, if warranted, should be properly discussed between UIIC and IBA and in full knowledge of the unions.
- Unilateral and disproportionately high premium fixed by UIIC and without following the IRDA guidelines are not acceptable. IBA should take up with IRDA and Finance Ministry.
- For in-service employees/officers, even though the premium is paid by the Banks and the cost is borne by them, the UIIC cannot exploit the banks and should not take them for a ride.
- For retirees, the premium is too high, especially for the pensioners who have retired as part time employees/sub-staff, pre-1986 retirees, family pensioners, etc.
- In their case, the difference amount between last year's premium and the revised
- For the current year renewal, many retirees are not aware of the last date deadline and hence another 15 days' time should be given to them with due intimation to them so that they will be able to renew the policy.
- The Scheme is arising out of the Settlement and IBA and all Banks are bound by it. The implementation of the scheme cannot be left to the discretion of the Banks.
- In the case of 5 Associate Banks, the managements have not renewed the policy which is a violation of the BP Settlement and IBA should advise them not to violate the Settlement.

IBA listened to our viewpoints and suggestions and assured to take up these matters appropriately.

Any development in this regard will be informed to our units in due course.

With greetings,

Yours comradely,



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