



CIRCULAR TO ALL UNITS

READ AND CIRCULATE

12th October, 2016

Dear Comrades,

REG: RENEWAL OF MEDICAL INSURANCE POLICY

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Units are aware the Medical Insurance Policy introduced last year in terms of the 10th BP Wage Revision Settlement/7TH Joint Note for officers got expired on 30th September, 2016 for in-service employees/officers and would be expiring on 31st October, 2016 for retired employees/officers. When we got the information that the premium amount is being increased, we took up the issue with the IBA who informed us that much against the usually expected claim ratio, the actual figures turned to be much higher. As against the premium of Rs. 387 crores paid for in-service employees/officers for all the Banks put together, the claims settled by UIIC were Rs. 667 and hence UIIC is increasing the premium payable to them for renewal of the Policy.

While demanding the renewal of the Policy and extension of the medical insurance coverage for the employees/officers, we protested that UIIC cannot unilaterally revise the premium in such a manner and IBA must take necessary steps.

In the meantime, the premium has been revised as under and most of the Banks have paid the revised premium and hence the medical insurance coverage would continue.

For clerical and substaff/ part time employees	Premium Rs. 10,452 + Tax @ 15 % Rs. 1,568 Total = Rs. 12,020
For Officer staff	Premium Rs. 13,395 + Tax @ 15 % Rs. 2,090 Total = Rs. 16,025

In the Banks which have not paid the premium, our units are advised to take up the matter with the management and ensure that the premium is paid and coverage continued.

For Retirees: IBA also informed us that the premium payable by the retired employees/officers is also being hiked similarly by UIIC since the claim settlement ratio is much higher at 230%. We pointed out that retirees are paying the premium themselves and hence the burden should not be too much for them. Further we also pointed out that domiciliary treatment expenses are not being reimbursed for the retirees.

We are now informed that the UIIC has advised IBA/Banks that the premium payable by the retirees will be as under and a sub-ceiling on domiciliary treatment reimbursement is being added in the Policy as per option of the retirees.

P.T.O.

Option 1 (without domiciliary treatment coverage)

For Retirees (clerical and substaff/part time employees)	Premium Rs. 10,452 + Tax @ 15 % Rs. 1,568 Total = Rs. 12,020
For Officer staff	Premium Rs. 13,395 + Tax @ 15 % Rs. 2,090 Total = Rs. 16,025

Option 2 (with domiciliary treatment coverage)

For Retirees (clerical and substaff/part time employees)	Premium Rs. 13,000 + Tax @ 15 % Rs. 1,950 Total = Rs. 14,950
For Officer staff	Premium Rs. 17,400 + Tax @ 15 % Rs. 2,610 Total = Rs. 20,010

Under Option 2, domiciliary treatment expenses reimbursement is covered upto Rs. 30,000 for workman retirees and Rs. 40,000 for officer retirees per year.

Retirees already covered under the existing policy are only eligible to renew the policy now. No new member can directly join this policy for retirees.

Banks will be advising the retirees who are now covered by the Policy to give their option as above and to make payment of the above premium.

We have taken up the matter with the IBA that such abnormal hike in premium and unilateral decisions of UIIC are not acceptable to us and these are to be discussed with the unions. We have particularly brought to their attention that since the retirees have to bear the cost of premium themselves and many of them whose pension is less (like family pensioners, pre-1986 retirees, substaff and part time employee retirees, etc) will face difficulties due to such steep hike in premium. The issue was discussed in the recent Managing Committee meeting of IBA and IBA is also taking up these matters with the Insurance Regulatory and Development Authority .

With greetings,

Yours comradely,


(S. NAGARAJAN)

GENERAL SECRETARY, AIBOA



(C.H. VENKATACHALAM)
GENERAL SECRETARY, AIBEA

REPRODUCED BY
KARNATAKA BANK EMPLOYEES' ASSOCIATION, (REGD.)
&
KARNATAKA BANK OFFICERS' ORGANISATION (REGD.)

MANGALORE

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