

ALL INDIA BANK RETIREES' FEDERATION (REGD.)

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

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SILVER JUBILEE YEAR (1994-2019)



Ref. 2020/441

16.09.2020

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

Dear Comrades,

Re: Renewal rates of premium for Group Insurance Policy for 2020-2021

We find that IBA has since advised banks about premium rates for Group Insurance Policy renewal for 20-21 for retirees. Rates are as under:

For Retired Employees/officers:

YEAR	FOR RETIRED EMPLOYEES (RS. 3 LAKHS)		FOR RETIRED OFFICER (Rs. 4 LAKHS)	
2019-2020	Premium	Rs. 21099	Premium	Rs.28130
	GST	Rs 3798	GST	Rs. 5063
	Total	Rs. 24897	Total	Rs. 33193
2020-21	Premium	Rs. 20508	Premium	Rs. 27342
	GST	Rs. 3692	GST	Rs. 4921
	Total	Rs. 24200	Total	Rs. 32263
Net reduction	Rs. 697		Rs. 930	

Name of Insurance Company: National Insurance Company (Public sector Company)

Track Record of the company in settlement of claim for health insurance

Number of Policies Issued 1807861

Incurred Claim ratio (ICR) 115.55 %

Claim Settlement Ratio 78.52 %

2. It may be mentioned that since introduction of group insurance policy by IBA in 2015-2016, **this is the first time that there is no increase in the premium and there is marginal reduction too. This is welcome development and success of organisational efforts.**

3. It may also be mentioned that terms and conditions of the renewal will continue to be the same for this renewal. It means there will be no capping for any decease for settlement of claims and room rent entailment will be Rs. 5000/- per day for both the slabs. Considering these attractive features and putting retirees in advantageous position at the time of settlement of claims, **We are of the view that it is good policy and those who can afford this level of premium they should consider going for this policy as the claim settlement amount will be close to 100 per cent with hardly be any financial burden at the time of treatment due to no capping. Besides above, we will have advantage of institutional support in this policy which may bring some more benefits to the retirees in coming days.**

4. As you are aware, in terms of the unanimous resolution passed in Delhi Conference, AIBRF has been making continuous efforts at all levels to introduce capping concept in IBA policy so there can be reduction in premium and policy becomes affordable for all retirees. In this regard, during last one year, We have submitted several representations and held meeting with authorities/ UFBU leadership. **But in this renewal, we find that IBA has not considered our suggestions for capping and therefore further reduction in premium as expected could not be achieved.**

5. However, as per direction of Delhi delegate session, **in such event**, AIBRF is committed to explore launching of independent alternate policy. Having seen outcome of the renewal terms, we are taking steps to launch independent policy for left overs with capping at lower premium shortly.

6. In the meantime, we find that some of our affiliates are taking steps to form groups for Oriental Group insurance policy which is available on shelf.

7. **In view of the above developments, in coming days, retirees will have two options. Those who can afford higher premium will have option of IBA policy without capping and independent policy with capping at lower premium targeted towards lower premium.**

8. We understand that IBA is taking steps to introduce **Super Top policy** for retirees along with base policy and its details will be known shortly.

9. Our representation for uniform subsidy for retirees is receiving attention of authorities and hope decision on it will come soon.

10. Our struggle for reduction in GST will continue. As advised earlier the issue is getting momentum .

With Warm Regards,

Yours Sincerely,



(S.C.JAIN)
GENERAL SECRETARY

