



ALL INDIA BANK EMPLOYEES' ASSOCIATION

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TO : ALL UNITS AND MEMBERS :

Dear Comrades,

MEDICAL INSURANCE SCHEME FOR EMPLOYEES & RETIREES UFBU's DISCUSSIONS WITH IBA ON 14-9-2018

" Units are aware that there was a meeting with the IBA on 8-8-2018 on the issue of medical insurance scheme wherein we had submitted various suggestions, particularly with a view to achieve a reduced premium rate especially under the retirees medical insurance policy where UIIC has proposed steep increase in the premium rates.

Based on these discussions, IBA had discussions with the United India Insurance Company and in that background, another round of meeting took place with IBA yesterday.

IBA reported on the details of the discussions they had with UIIC and the data given by UIIC to them.

Policy for In Service employees/officers:

	2015-16	2016-17	2017-18
Premium paid	389 cr	769 cr	763 cr
Claims Settled	809 cr	805 cr	804 cr

Policy for Retirees (Option I – Without Domiciliary)

	2016-17	2017-18
Premium paid	134 cr	203 cr
Claims Settled	175 cr	337 cr

Policy for Retirees (Option II – With Domiciliary)

	2016-17	2017-18
Premium paid	149 cr	106 cr
Claims Settled	313 cr	149 cr

No. of Families covered:

	2016-17	2017-18
In service employees/officers	6.46 lacs	7.14 lacs
Retirees (Option I)	1.04 lacs	1.61 lacs
Retirees (Option II)	89,000	38,000

**Premium paid – claims reimbursed – Net Negative
(Existing employees/officers + Retirees)**

	2015-16	2016-17	2017-18
Premium paid	518 cr	1052 cr	1105 cr
Claims Reimbursed	1134 cr	1293 cr	1423 cr
Brokerage/TPA Charges	44 cr	71 cr	71 cr
Net Negative/Loss	660 cr	312 cr	392 cr

In view of the continued gap and imbalance between the premium paid and claims settled, UIIC had explained to IBA the need for increasing their rate of premium and had further informed IBA that if there can be some restructuring of the scheme, the premium rates also can be reviewed and revised accordingly.

In this background, IBA had sought our views and suggestions for possible modifications in the Scheme for In-Service employees/officers as well as for retirees with a view to peg down the premium rates.

After discussions, it was mutually understood by UFBU and IBA that the existing Medical Insurance Policy as per our Agreement with IBA should be continued and IBA should deal only with public sector insurance companies.

IBA also clarified that in view of Government's advice, broker companies would not be involved in the Scheme.

Some possibilities of modification in the Scheme were discussed and IBA had also made their suggestions for our consideration. IBA has requested UFBU to submit its suggestions and views in a day or two where after the issue will be taken up by IBA with UIIC based on which the UIIC would revise their quote on premium rates.

In the meantime, at our request, IBA has agreed to advise the Banks not to go ahead with seeking options from retirees for renewal of the Policy based on the earlier offer of UIIC.

We shall keep our unions informed of further developments in this regard.

Next round of Talks: IBA informed us that the next round of Bipartite Talks with the Negotiating Committee will be held on 29.09.2018."

With greetings,

Yours comradely,



**C.H. VENKATACHALAM
GENERAL SECRETARY**