



**ALL INDIA BANK PENSIONERS' & RETIREES'  
CONFEDERATION  
( A.I.B.P.A.R.C.)**

C/O BANK OF INDIA OFFICERS' ASSOCIATION  
(EASTERN INDIA BRANCHES)  
BANK OF INDIA, KOLKATA MAIN BRANCH  
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**Circular No. 69/19**

Date:25.09.2019

**(For circulation among members of the governing council of AIBPARC,  
State Secretaries, Special Invitees and Advisors.)**

Dear Comrade,

**Sub: IBA'S MEDICAL INSURANCE SCHEME FOR RETIREES**

We are reproducing here under the text of letter dated:24.09.19 addressed to Hon'ble Finance Minister, Govt of India on above subject by joint convenor, CBPRO and GS, AIBRF. This is for information of members.  
With best wishes

Suprita Sarkar  
General Secretary

Mrs. Nirmala Sitharaman  
Hon'ble Finance Minister  
Ministry of Finance  
Government of India  
North Block  
New Delhi

Date:24.09.2019

Respected Madam,

**IBA'S MEDICAL INSURANCE SCHEME FOR RETIREES**

Department of Financial Services, Ministry of Finance, Govt of India advised IBA vide its communication dated 24<sup>th</sup> February 2012 to evolve a Medical Insurance Scheme for Serving and Retired Employees of the Banks. IBA in turn put up this proposal as management issue before United Forum of Bank Unions (UBFU) at the time of wage negotiations which concluded in April/May 2015. As a result a new medical insurance scheme got introduced both for **Serving Employees** and **Retired Employees** with effect from October 2015 and November 2015 respectively. After introduction of IBA's Medical Insurance Scheme during the year 2015 there has been multifold increase in the premium thereby compelling many of

the retirees to opt out of this scheme for the reasons of un-affordability, more particularly those who are family pensioners drawing as low as Rs.4000 per month pension. The entire amount of annual pension in such cases would not be sufficient to meet out the medical insurance premium. The sky rocketing premium has robbed many pensioners of the benefit under IBA policy which has been otherwise largely helpful to the retirees. Such situation calls for the improvements/modifications in the scheme for retired employees. It is with this view in mind the following requests are made for kind consideration:

- a. Since Government communication dated 24.02.2012 did not envisage payment of medical insurance by the Retirees, it should be borne by the Bank as in the case of Serving Employees. It is pertinent to mention that the Executive Directors/Managing Directors/ Chairman and Managing Directors are extended the benefit of medical expenses reimbursement even after retirement without any charge to them on similar lines as they were entitled during their service. **It is therefore discriminatory on the part of the Banks to create a class within the class**

**with regard to extension of medical benefit facility to retired bank employees vis-à-vis the top Retired functionaries of the Bank on one side and the Serving Employees on the other side. There is an urgent need to remove this anomaly urgently.**

- b. Since all the retirees are senior and super senior citizens, their medical insurance/hospitalization reimbursement are social security measures and are the responsibility of the employer as in the case of Government and PSUs. It assumes greater significance after introduction of AYUSH Health Care for other sections of society by the Government without charging any cost to the beneficiaries. Alternatively, the **Retired Employees of the Banks which are instrumentalities of the Government and hence fall within the meaning of State under Article 12 of the Constitution of India should be covered under CGHS after charging a fixed lump sum amount at the time of retirement or at the time of extending the cover to all those who have already retired.**
- c. **It is requested to include specially challenged dependent children in the definition of family to provide Medical Insurance benefit.**
- d. It is pertinent to mention here that United India Insurance Company being the Insurer for Serving and Retired Bank Employees had quoted a moderate premium of Rs. 7,500/- as a penetrating price in the first year (2015) but has been increasing the premium every year in such a manner that the premium for Retirees is far more than the premium which is applicable for Serving Employees. **The fact that Retirees are forced to bear the premium while for Serving Employees it is borne by the Banks, makes the discrimination a case of double jeopardy and unbearably harsh.** Such steep increase in the premium has been compelling the Retired Employees to exit the Scheme for affordability reasons. It has resulted in a pitiable situation for such of those Retirees who are forced to exit IBA's Medical Insurance Scheme as they had discontinued their Individual Medical Insurance cover and are barred from taking Individual cover afresh either on account of crossing the threshold age or on the ground of having pre-existing diseases.


It is in this background, we request that those who have exited IBA's Group Medical Scheme may be permitted to rejoin the Scheme with the suggested improvements.

We earnestly request you to give suitable instructions to DFS/IBA/Member Banks to consider our request and suggestions favourably for the ensuing renewal which is due on 01.11.2019 and thus provide much deserved relief to the Bank Retirees who were an integral part of Nation building by implementing the Policies and Programmes of the Government for 30-40 prime years of their life. The Government under the dynamic and caring leadership of our Hon'ble Prime Minister has been applauding the contributions of Public Sector Bank Employees and Officers for implementing various Schemes with a total sense of commitment and devotion. We are therefore earnestly requesting for a small reward for the good work done for the Government and the society.

Kindly consider our request favourably and oblige.

With regards,

Yours Faithfully,



**(K.V. Acharya)**  
**Joint Convener, CBPRO**



**(S.C. Jain)**  
**General Secretary, AIBRF**