



# **ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION**

**( A.I.B.P.A.R.C.)**

**C/O BANK OF INDIA OFFICERS' ASSOCIATION  
(EASTERN INDIA BRANCHES)**

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**Circular No. 81/19**

**Date:21.10.2019**

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

Dear Comrades,

**Sub: IBA'S Group Medical Insurance Scheme 2019-20**

We reproduce here under the text of CBPRO circular dated :16.10.19 to all constituents on above subject. This is for information of members.

With best wishes

Suprita Sarkar  
General Secretary

To:  
All General Secretaries,  
Constituents of CBPRO

Dated:16.10.2019

Dear Comrades,

**IBA'S Group Medical Insurance Scheme 2019-20**

We learn from the Social Media platforms that New India Assurance Company's Medical Insurance Scheme proposal brokered by M/s Dastur and Co. Targeted at Banks' Retirees has been temporarily withdrawn as serious gaps were noticed in the proposal. It reflects half-baked and premature launch of a serious scheme without giving a careful thought. The demerits observed by us in the said proposal triggered the temporary withdrawal of the proposed policy of New India Assurance Co. In this connection, we reiterate our views as below:

1) Our Organization has faith in collective bargaining and pending formal negotiating rights, with IBA/Government, it was our conscious decision at CBPRO, to request the leaders of UFBU to continue to champion our cause, including those pertaining to the following aspects of IBA's Group Medical Insurance Policy for Bank Retirees:

I) Rationalisation of benefits under the policy

II) Reduction in the annual premium

III) Introduction of different slabs of insurance cover to facilitate an option to the retirees according to their requirements and affordability

IV) Option to those who are outside the coverage of the policy on account of any compulsion, what so ever, to join/re-join the scheme

V) Observing transparency in calculation of claim ratio

VI) Having a common policy for the serving employees and Retirees so as to bring down the claim ratio and eventually the amount of premium for the retirees

The leaders of UFBU have shown their serious and sincere concern to all the issues and have been taking up with IBA/UIICL for their effective consideration.

We are thankful to the leaders of UFBU, more particularly Com CH Venkatachalam, Com Soumya Datta and Com S K Bandlish for their cooperation and help in this regard.

2) Apart from the above issues, we have also raised our demands for banks to bear the entire premium amount and pending their acceptance of our demand, Banks should substantially subsidise the amount of premium.

3) There have also been sincere efforts on our part for getting exemption from GST on the amount of premium by taking up the matter with the Chairman, GST Council.

In spite of our collective efforts, the success has been eluding us. But as an Organization, we have not lost hopes and hence we continue to make our persistent efforts for realisation of our persistent demands to benefit the retirees to have an affordable insurance cover.

4) We once again reiterate the following considered views in this regard:

a) The services of Insurance Broker were discontinued by IBA for the reasons of questionability of their role. Hence their re-engagement under a private arrangement is fraught with similar risks.

b) The payment of brokerage to the brokers adds to the cost of insurance to be borne by the Retirees.

c) Engagement suffers, if the broker hinders direct negotiation by IBA with Insurance Company and re-introduces the element of secrecy and non-transparency.

It is for these and many other reasons, we are of the considered view that the brokers who were disengaged by IBA after 3 years of unsatisfactory experience, should not be re-engaged in a private arrangement in a designated or un-designated manner in the larger interests of the retirees.

5) The Group Medical Insurance Scheme was introduced as per the instructions of DFS, Ministry of Finance to IBA vide their letter dated 24.02.2012 and was duly negotiated by UFBU as a part of Industry Level Settlement. It is therefore desirable to ensure its success with required improvements from time to time and it should be our sincere endeavour. Any effort to derail the scheme should be scuttled by every retiree.

6) Apprehension in some quarters about possibility of merger of UIICL is an ill-conceived fear as a Public Sector Insurance Company cannot leave the Policy-holders in lurch or uncovered by any stretch of imagination.

7) What makes the entire Private deal with New India suspicious is the fact that when IBA invited bids for the Group Medical Insurance Policy for Bank Retirees, New India's Assurance Co. quote was worse than the quote of UIICL and was rejected. It is therefore beyond comprehension and also defies logic as to how New India is now able to quote about 30% lower premium unless there was a hidden agenda, like 50% co-payment case of major ailments not involving surgical intervention and many other exclusions.

8) It is also pertinent to mention here that Com. CH Venkatachalam, GS, AIBEA has sharply reacted to the new proposal of New India/Broker by stating that AIBEA would not like to hurry up with such a proposal as it is being done behind the back of IBA who are dealing with this issue and there was something more than what meets the normal eye. The reaction of AIBEA speaks volumes.

9) Above all, the constituents of CBPRO and other affiliated organisations of Bank Retirees will vouch safely that CBPRO has been in the forefront to raise all the issues concerning the improvements in IBA's Group Medical Insurance Scheme and an organisation which indulges in secret negotiations on not only IBA's back but also on the back of UFBU/CBPRO cannot hijack the same to take undue credit through pre-mature launch and quick withdrawal of a proposal which is deficient, half-baked and questionable in nature.

10) we are pleased to inform that the Senior Office Bearers of CBPRO/AIBPARC stationed at Chennai had met top officials of UIICL under the leadership of Com Chandrasekar and Com K S Rangarajan and impressed upon UIICL to favourably consider the issues raised by us. Com CH Venkatachalam, GS, AIBEA also met the CMD of UIICL to pursue the issues of improvements in the scheme. He was assured by the CMD of UIICL that he will consult his Senior Officials and try his best to help us out.

In view of the above, opting out of UIICL Policy to join the half-baked policy offered by New India is undesirable proposition. We therefore request our members to renew their insurance cover under UFBU negotiated IBA's Group Medical Insurance Policy of UIICL.

With Regards,

Yours Comradely,



K V Acharya.  
Joint Convenor, CBPRO