

FEDERAL BANK RETIRED OFFICERS' FORUM (FBROF)



(An Organizational Wing of Federal Bank Officers' Association)
(Affiliated to All India Bank Pensioners and Retirees Confederation - AIBPARC)
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FBROF/E-Circ -5/18 – 20

October 8, 2019

To All Members

Medical Insurance Renewal – Premium on the rise

Dashing our hopes for an improved scheme, Bank has come out with their circular dated 04.10.2019, on renewal of Medical Insurance in respect of Retired Employees of the Bank. We have been consistently demanding to the Bank to make improvements to the Medical Insurance Scheme for the retirees on the 'Fedcare' line so as to help the retirees to have an affordable premium. Members may be remembering that when the Fedcare scheme was introduced Bank had committed to share 70% of the premium inclusive of the then prevailing Service Tax. But we are saddened to note that Bank has deviated again from the basic principle of sharing the premium.

A resolution was adopted in the recently concluded AGM demanding the IBA and authorities to implement the Medical Insurance Scheme in tune with the directive given by Ministry of Finance, GOI and reimburse 100 % hospitalization expenses to the retirees and spouse without ceiling and the Bank to bear the entire premium of the retirees. Also it was resolved to demand the Bank to share the GST component of the insurance premium too in the 70:30 ratio. These resolutions were forwarded to the Bank on 7th September 2019 vide letter No. FBROF/2018-20/08/2019. Furtehr to this as a follow up measure Office Bearers met HR Officials on 30th September 2019 and requested personally to look into the shortfalls we have experienced last year in the matter of sharing pattern.

However, to our dismay the Bank has issued its circular on the subject unmindful of the just demand of its senior retired employees. Expressiing our anguish in the matter immediately on receipt of the HO Circular we have submitted a letter to the MD & CEO, seeking his immediate intervention vide our letter dated 7th October 2019. We also plan to lead a representation to the higher authorities demanding urgent redressal of the grievance of the poor retirees in the evening of their life through Com. Paul Mundadan, General Secretary FBOA at the earliest.

Quote

FBROF/MGMT/ 13 /2018 – 20

07 October 2019

Shri. Shyam Srinivasan,
M D & C E O, Federal Bank
Regd. Office, ALUVA

Dear Sir,

Reg: Medical Insurance scheme- Premium for renewal.

Ref. Bank's Circular dated 4th October 2019

We are very much pained to find that the Bank has deviated again from the basic principle of the affable 70:30 ratio committed to its elders when the Bank has introduced a Medical Insurance scheme under your initiative aptly named as 'Fedcare' considering its vital importance in the social security of the retired Federals. The 70% was borne by the Bank, during those good years including the then prevailing service tax. But it is very sad that the then service tax now turned as GST is being excluded completely from the purview of the benevolence of the Bank which is totally against the fervent hope of the pensioners who are ill fated with a never ever updated primitive Pension scheme.

We are still unable to comprehend the logic of IBA in irrationally and disappointingly bifurcating the policy of the retirees from the combined policy originally introduced by IBA. This is in fact led to imposing an absolutely unbearable premium to the retirees while the Banks continue to bear the full premium of its entire workforce, presumably to give a windfall to the Insurance Companies and that too at the cost of the poor Pensioners. The ethical aspect in devising and approving by the Insurance Companies and IBA, an intriguing clause for domicile cover of Rs 40000/- with an absurd premium of 69808/- (ie a premium 75% of the cover of Rs.40000/- !) is undoubtedly require an urgent introspection by the policymakers and an examination by the IRDAI.

It was the earnest hope made by all our members jointly that we presented through the resolution adopted unanimously by the General Body of the Federal Bank Retired Officers Forum held on 30th August 2019 appealing to the Bank for bearing the full premium for the unlucky Pensioners in the same manner as borne for those in service. In the background of such a mercy petition submitted to your good selves, upsetting the 70:30 ratio is felt very much disappointing.

Nevertheless we do acknowledge thankfully the quantum enhancement made by the Bank in the Bank's share in the wake of the premium enhancement. The raising of the Bank's share to Rs. 20000/- per retired officer is an affable attitude focusing the concept of caring and sharing which we do appreciate as it displays the consideration the Bank still have towards it's aged, former Officers.

The only appeal we do make to the Bank is to retain the grace of the sharing in its best form; the Bank may urgently revise upward it's sharing formula to help the hapless retirees to whom the Medical expense is the biggest challenge and a Medical Insurance policy with a bearable premium is the greatest blessing.

Hence we urge upon your good selves to kindly intervene in this case to ensure the 'Fedcare' in it's most gracious shape.

Yours faithfully,

Thomachan K T
General Secretary

Unquote.

With reference to the renewal of the Medical Insurance, we reproduce the salient features of the scheme announced by Bank through its circular dated 04 October 2019.

The renewal of the policy is for a further period of one year from 01/11/2019 to 31/10/2020 in association with M/s. United India Insurance Co. Ltd. The Insurance Company has proposed the following two options under the scheme.

Option I – Without Domiciliary Coverage- Total Sum Insured – Rs.4 Lakh – Premium Rs. 33193/- (incl. GST) – less subsidy by Bank Rs.20,000 Net payable Rs. 13,193/-

Option II – With Domiciliary Coverage (Rs.40000/-) – Total Sum Insured – Rs.4 Lakh – Premium Rs. 82,373/- (Incl GST) – less subsidy by Bank Rs.20,000 – Net payable Rs. 62,373/-

Super Top – Up Policy: Sum insured Rs. 5 Lakh – Premium Rs. 6,134/- (Incl. GST)

If Super Top up Policy is opted the total premium payable under **Option I** is Rs.19327/- and under **Option II** is Rs.68507/-

Beneficiaries need not submit any application to renew the policy under Option I (Without domiciliary) & Without Top- up Policy.

To renew the policy under **Option I with Top- up Policy and under Option II (With domiciliary) & With/without Top- up Policy** beneficiaries shall submit application in the prescribed format to HR Department latest by 17th October 2019.

At present M/s. VIDAL is the TPA and the cards issued are valid as there is no expiry date mentioned therein. In case the TPA is changed along with renewal, new ID cards will be issued to members. If anybody is not in possession of the ID Card, they may take up with HR Insurance Desk in the email id medicare@federalbank.co.in or on telephone Nos. 0484-2634138 / 4106

It is understood that those who had not earlier opted for Top up policy under either options can opt for Super Top Up policy now, at the time of the current renewal by paying the prescribed premium of Rs.6134/-.

It is possible to switch over the coverage from Option II to Option I (with /without Top up). If top up is opted please submit application form before 17 October 2019. Switching over of the coverage from **Option I to Option II** is not permitted by the Insurance Company.

To discontinue the policy Beneficiaries shall take up the matter with HR Department latest by 17th October 2019. It may be noted that, the membership in the Scheme is a onetime option; employees once opt out/do not join/do not renew the policy, will not be allowed to join the Scheme on a later stage.

If no option is submitted, the coverage will be renewed without Super Top up under Option I, subject to payment of applicable premium. It is understood that the debit of premium will coincide with the credit of Pension for the month of October. All members shall take care to make available the required amount for debit of the renewal premium. They are also requested to confirm the membership in the Scheme by ensuring that the applicable premium has been debited from the registered account latest by 30th October 2019. Details of renewal of the policy will be notified by the Bank in its Website (Retiree's Space).

It is informed that Bank has sent the Option format by post to all concerned by post. All are requested to ensure timely renewal of the policy.

Comradely yours,

Thomachan K T
General Secretary

All Area Secretaries with the coordination of members of the Help Desk in their respective Areas are requested to contact all our members especially those who are not conversant with the use of email / WhatsApp communications and also to the surviving spouses of the departed members so as to ensure that the matter is brought to the attention of all concerned without any further delay.