

STATE BANK RETIREES' ASSOCIATION

Federation of Erstwhile
Associate Bank Retirees' Organisations



Ref: MIS/APP/301

Date : 1st January, 2020

The Chairman,
State Bank of India,
MUMBAI

Respected Sir,

Medical Insurance Scheme of Bank retirees – Payment of premium

On behalf of retirees of erstwhile Associate Banks, we Wish you and your entire team of Senior and very Senior Executives, a *Happy and Prosperous New Year.*

We also thank you for responding to our request and allowing erstwhile Associate Banks' retirees to join new 'SBI Health Assist' - Annual Payment Plan. We are also immensely thankful to you for your decision to extend subsidy to those retirees who are over 70 years and also to family pensioners. Your decision would go a long way in saving many lives and certainly extending the life. We would remain grateful.

We have small suggestions to further enhance utility of this Scheme. You are aware that the premium would come down and life of the Scheme would increase with increase in number of those who are covered under the scheme. Impediments for larger number of retirees joining the scheme are affordability and very low income (pension). It would be extremely difficult to pay Rs.19,520/- at once, in many cases, this amount is twice or thrice of monthly pension. In case if you can recover net amount of premium payable in TEN monthly instalments, monthly outgo for a Rs.3.00 lakh cover would be Rs.1,500/- if an amount of Rs.4,520/- is paid at the time of submitting application. It would become affordable for a pensioner with pension say, Rs.6,000/- to Rs.7,000/-. This would facilitate a large number of retirees joining the scheme and also continuing the scheme. Subsidy portion may be adjusted from sixth month afterwards. With this change, there is no additional liability for the Bank. In fact, on account of this change, premium liability in 'SBI Healthcare', onetime payment plan, would come down drastically on account of larger group size and lesser claims on account of most of those who have joined Plan 'A' of REMBS (now, 'SBI Healthcare', onetime payment plan) would also join and claim from this scheme ('SBI Health Assist' - Annual Payment Plan). Risk for the Bank per retiree is maximum of Rs.15,000/- in respect of those who are not entitled to subsidy and Rs.7,000/- for those who are entitled to subsidy. A simple letter of authorisation, authorising the Bank to debit Rs.1,500/- on the day of credit of pension, would facilitate increase in number of retirees joining the scheme and recovery thereof. This would be of great significance and help, on account of payment of over Rs.25,000/- premium only during the month of October-November, 2018 by many of these retirees.



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Further, we request you to kindly extend the time till 27th of January, which enables these retirees to pay premium. We also request you to advise LHOs at Jaipur, Hyderabad, Bhopal, Bengaluru, Chandigarh, Ahmedabad and Thiruvananthapuram to arrange for meeting of erstwhile Associate Bank retirees' to enable the concerned to explain salient features of this Scheme and also enable these retirees to understand, as they are entitled to join this scheme only now, in coordination with our affiliates at these places.

The cost of implementing our request is insignificant or negligible. But, helps and assists these retirees most of whom are Senior Citizens and many of them are Super Senior Citizens. Please help us in this regard.

Thanking you,

With regards,

(CN Prasad)

General Secretary