

e-Circular

P&HRD.

Sl. No. : 1335/2016 - 17

Circular No. : CDO/P&HRD-PPFG/82/2016 - 17

Friday, January 06, 2017.

16 Pausha 1938 (S).

All branches and offices of
State Bank of India

Madam/ Dear Sir

FAMILY FLOATER GROUP MEDICLAIM POLICY FOR SBI RETIREES (POLICY – 'B') **RENEWAL OF POLICY**

Please refer to our e-circular No. CDO/P&HRD-PPFG/78/2016-17 dated 28th December, 2015 through which introduction of Group Mediclaim Policy for SBI retirees (Policy - B) was advised, and clarifications issued vide subsequent e-circulars No. CDO/P&HRD-PPFG/84/2015 – 16 dated 8th January, 2016; No. CDO/P&HRD-PM/93/2015 – 16 dated 9th February, 2016; No. CDO/P&HRD-PPFG/105/2015 – 16 dated 18th March, 2016; No. CDO/P&HRD-PPFG/106/2015 – 16 dated 19th March, 2016 and No. CDO/P&HRD-PPFG/34/2016 – 17 dated 21st June, 2016.

2. The policy (Policy-'B') was launched on 16.01.2016 and is due for renewal on 15.01.2017. As per the terms of the policy, the rates for renewal of the policy would be negotiable if the claim ratio exceeds 140%. The Insurance Company (United India Insurance Co. Ltd.) advised that the claim ratio had already far exceeded the level of 140% as on 15th November, 2016 and will increase further by the end of policy term in January 2017. Accordingly, the Insurance Company quoted renewal premium rates with very high loading percentages.

3. With a view to rationalizing the renewal premium, negotiations were held with the representatives of the Insurance Company as well as the brokers M/s Anand Rathi Insurance Brokers Limited. Based on past claim record, following modifications were also made in the policy to contain the value of premium without materially altering the benefits of the earlier scheme.

Modifications:

- a) Reduction in Domiciliary hospitalization reimbursement from 15% to 10% (except under treatment for Cancer, where domiciliary has been kept at 15%)** - the average claim amount under domiciliary treatment till now is less than 10% under any of the plans. Further, more than 95% of the total claims under domiciliary treatment are well covered even within 10% cap in any plan.
- b) Reduction in Room Rent and ICU Rent in Plans 'D' to 'H'** – the maximum room / ICU rent charges for most hospitals even at major centres is under Rs. 11000/-.
- c) Discontinuation of Plans 'G' (Sum Assured – Rs. 20 Lacs)** – few claims above Rs. 15.00 lacs have been made in Plan 'G'; and members of Plan 'G' can be covered under Plan 'F' where sum assured is Rs. 15.00 lacs.

4. The Central Office Human Resources Committee (CHRC), in its meeting held on 31st December, 2016 has approved the aforementioned modifications in the policy and has also approved renewal of the policy on the revised rates as detailed in the table below.

Plan	Sum Insured Rs. in Lacs	Domiciliary Treatment		Room Rent Max. Ceiling Rs.		ICCU Rent Max. Ceiling Rs.		Annual Premium per family (excluding ST & Swachh Bharat Cess) (Rs.)	
		Existing	Revised	Existing	Revised	Existing	Revised	Existing	Revised
A	3.00	15%	10%	5000	5000	7500	7500	5175	15836
B	4.00	15%	10%	5000	5000	7500	7500	6880	21053
C	5.00	15%	10%	7500	7500	9000	9000	8880	27173
D	7.50	15%	10%	15000	7500	18000	9000	12270	34418
E	10.00	15%	10%	15000	11000	18000	11000	16500	42075
F	15.00	15%	10%	15000	11000	18000	11000	24850	63368
G	20.00	15%	NA	15000	NA	18000	NA	32500	NA
H	25.00	15%	10%	15000	11000	18000	11000	41450	116268

***For treatment of Cancer, the domiciliary expenses has been kept at 15%**

- a) The policy will continue to be available to the existing members enrolled who retired on or after 1st January, 2016 / Spouses of employees who die in service on or after 1st January, 2016 and existing non members of REMBS, their spouses and disabled child / children if any, subject to payment of renewal premium.
- b) Pensioners who have retired on or after 1st January, 2016 / Spouses of employees who die in service on or after 1st January, 2016 and existing non members of REMBS, their spouses and disabled child / children who were eligible to join the policy last year, but could not enroll may be permitted to join the policy.
- c) Employees who are members of National Pension System will be allowed to join on completion of 20 years of confirmed service, as hitherto.
- d) The policy will continue to be available to the pre-merger retirees/surviving spouses of pre-merger retirees/ deceased employees of erstwhile State Bank of Saurashtra (e-SBS), erstwhile State Bank of Indore (e-SBIN) and e-SBICI.
- e) The policy will continue to be available to the Independent Directors of the Bank as hitherto, subject to payment of premium from their own sources.
- f) New retirees of Associate Banks, which are expected to merge shortly, may be permitted to join the policy post merger of the Banks.
- g) Pensioners 'removed' from service may be permitted to join the policy but those 'dismissed' from service may continue to be excluded as hitherto.
- h) Eligible new retirees / spouses of deceased employees will be allowed to join the Policy 'B' within **three months** from the date retirement / death by paying the premium from their own sources on **pro-rata basis**.

5. Other Instructions

- a) **Prospective members can opt for any one of the schemes by paying the premium from their own sources.**
- b) Existing members covered under any plan will have the option to switch to a different plan (higher sum insured or lower sum insured as desired) subject to payment of appropriate premium.
- c) Existing members can renew their policy or choose a different plan within a period of three months from the date of commencement of policy (i.e. upto 14th April, 2017). However, the coverage will commence from the date of payment of full premium and will be valid till the date of expiry of policy.

- d) Registration of membership and payment of premium should invariably be done on the same day to avoid reconciliation issue at a later date. Members' PF Index No. and name should be clearly mentioned in the description column in CBS while transferring the amount.
- e) In respect of Whole Time Directors and Retired Dy. Managing Directors, who are eligible for 100% reimbursement of medical bills, we propose that the bills may be paid upfront by the Pension Paying Branch of the office as and when the bills are submitted. Reimbursement of bills may subsequently be claimed from the TPA for settlement of outstanding.

All other terms of policy and instructions relating to the scheme will remain the same. Revised application form is enclosed in **Annexure-I**.

6. Please bring the contents of the circular to the knowledge of all concerned. Please also issue necessary instructions to all branches and offices under your administrative control to prominently display notice in this regard on the branch / office notice board along with the modifications in the Scheme for information of the pensioners. Additionally, arrange to disseminate the contents of the Circular through the office bearers of Circle Pensioners' Association so that all the existing members and eligible retirees are made aware of the modifications.

Yours faithfully,

(Prashant Kumar)
**Deputy Managing Director &
Corporate Development Officer**

Annexure – I → Revised application form