



eCircular

Department: P&HRD

Sl.No.: 1385/2019 - 20

Circular No.: CDO/P^HRD-PPFG/65/2019 - 20

Date: Fri 27 Dec 2019

All Branches / Offices of
State Bank of India

Madam / Dear Sir,

REVAMPING OF MEDICAL BENEFIT SCHEMES FOR RETIREES
INTRODUCTION OF “SBI HEALTH ASSIST” & “SBI HEALTH CARE”
(RENEWAL OF POLICY ‘B’ AND POLICY ‘A’ ON MODIFIED TERMS & CONDITIONS)

Please refer to e-circular No. CDO/P&HRD-PPFG/70/2018-19 dated 1st January, 2019 advising renewal of Group Mediclaim Policy for SBI retirees (Policy ‘B’) with effect from January 16, 2019 and modifications in terms and conditions of the policy. The policy is due for renewal on 16.01.2020.

2. In view of rising annual premium under both the above policies coupled with inflation in cost of medical treatment, it has now been decided to recast the existing schemes with the following objectives;

- i. To provide holistic solution with new Health Care plans
- ii. To provide good health care to our retirees at an affordable cost
- iii. To subsidize a part of the health expenditure of retirees

3. The policies are renamed as under;

Existing Names	New Names	
Policy ‘B’	Annual Payment Plan (APP)	“SBI Health Assist”
SBI-REMBS	One Time Payment Plan (OTPP)	“SBI Health Care”

A. Annual Payment Plan (APP) - “SBI Health Assist”

(erstwhile Policy ‘B’)

SBI GENERAL INSURANCE CO. LTD. has been selected for serving both the policies i.e. APP and OTPP **for the next three years** with a provision for annual renewal. Membership of Annual Payment Plan (existing Policy ‘B’) will be voluntary and those eligible can obtain membership of the same by paying the annual premium from their own sources.

Eligibility for Membership in Annual Payment Plan (APP)

- a) Existing members under Policy ‘B’.
- b) Employees who retired during the months of October, November & December 2019 would be eligible to join the policy and no waiting period clause will be applicable for them.
- c) Eligible new retirees (retired on or after 16.01.2020) may join APP (Policy ‘B’) within 90 days from the date of retirement by paying the premium from their own sources. Pro-rata premium would be applicable in case of such retirees.
- d) Spouses of deceased employees may join APP (Policy ‘B’) within 120 days from the date of death by paying the premium from their own sources. Pro-rata premium would be payable in such cases.

Option For Left Out Retirees / e-AB Retirees / Spouses of Left Out Retirees and e-ABs Retirees / Members of Policy-A

(a) Members of SBI-REMBS will be given the option to join APP (Policy-B) irrespective of their residual balances. It is also proposed that they would be able to opt for any Sum Insured with or without Critical Illness cover at any point of time during the cover period by paying full year’s premium as per the plan chosen. However, for such retirees, there will be 30 days’ waiting period from the date of their joining APP (Policy-B) and Sum Insured under APP (Policy-B) for these members will not be available for reimbursement of expenses incurred on ongoing hospitalization at the time of taking such membership.

(b) All left out retirees, e-AB retirees, spouses of left out retirees & e-AB retirees will be eligible to become members of APP (Policy-B) by paying premium from their own sources. However, for these members, there will be a waiting

period of 30 days from the date of their joining APP (Policy-B). Sum Insured under APP (Policy-B) for these members will not be available for reimbursement of expenses incurred on ongoing hospitalization at the time of taking such membership.

Exclusions

Employees who are / were discharged / dismissed / compulsorily retired / terminated from service will not be eligible to join the policy.

i. Basic Plans of APP (Policy 'B') - “SBI Health Assist”

The existing structure of four plans has been done away with. Now, there will be only two Basic Sum Insured limits of Rs. 3.00 lakhs & Rs. 5.00 lakhs under the APP. There will be no bar for retirees in opting for any Sum Insured :

Basic Sum Insured (Rs. in lakhs)	Basic Premium (Rs.)	GST(@18%) (Rs.)	Gross Premium (Rs.)
3.00	16,542	2,978	19,520
5.00	36,771	6,619	43,390

ii. Super Top-up Plan & Deductible Amount

Super Top-up plan will be available to all members for Rs. 6.00 lakhs along with the Basic Plans as an additional health cover. **Cost of premium for Super Top-up cover will be borne by the Bank.**

(Rupees in

Lakhs)

Basic Sum Insured (BSI)	Super Top-up cover	Total cover to member	Deductible Amount in Super Top-up Cover
3.00	6.00	9.00	2.50
5.00	6.00	11.00	2.50

There will be a 'Deductible' limit of Rs. 2.50 lakhs under the Super Top-up cover. In case of a claim being raised, Basic Sum Insured will trigger first and only after Basic Sum Insured is completely exhausted, Super Top Up policy will be activated / utilized. The 'Deductible' amount will be taken from the Base policy, if triggered.

For example, in case there is a claim of Rs. 5.00 lakhs under Super Top-up plan of Rs. 6.00 lakhs with a Base policy of Rs. 3.00 lakhs, base policy of Rs. 3.00 lakhs will be used first and it will be considered that the pensioner has contributed his portion of 'Deductible' amount out of the Base plan, and thereby, remaining amount of Rs. 2.00 lakhs of the claim will be settled from the Super Top-up plan. The retirees will not have to pay the 'Deductible' amount of Rs. 2.50 lakhs from their own pocket.

iii. **Ailment wise expenditure cappings**

The ailment wise cappings were introduced in the year 2017-18 with the idea to restrict the premium from increasing abnormally. The cappings have been revised commensurate with the present cost for treatment of these ailments as under:

(Amount in Rupees)

S I	Name of Ailment	Existing Limits	Proposed Limits for Basic Plan of Rs. 3.00 lakhs	Proposed Limits for Basic Plan of Rs. 5.00 lakhs
1	Angioplasty	1,50,000	2,00,000	2,25,000

2	Coronary Artery Bypass Graft	2,50,000	3,00,000	3,25,000
3	Cataract	30,000	45,000	50,000
4	Cholecystectomy	70,000	1,00,000	1,25,000
5	Hernia	70,000	1,00,000	1,25,000
6	Knee Replacement - Unilateral	1,75,000	2,00,000	2,25,000
7	Knee Replacement - Bilateral	2,50,000	3,25,000	3,50,000
8	Prostate (Other than treatment of Prostate Cancer)	80,000	1,00,000	1,25,000

iv. **Room Rent / ICU Rent / ICCU Rent cappings**

Based on reports regarding deductions on account of lower Room Rent / ICU Rent / ICCU Rent eligibilities, it is also proposed to revise Room Rent / ICU Rent / ICCU Rent caps under the policy as under :

(Amount in Rupees)

Basic Plan <i>(Rs. in Lakhs)</i>	Existing		Proposed	
	Room Rent	ICU / ICCU Rent	Room Rent	ICU / ICCU Rent
3.00	4,000	7,500	5,000	9,500
5.00	4,000	7,500	7,500	12,000

v. **Subsidization of premium & Administration of subsidy**

As a measure of financial support to family pensioners / senior retirees, it has been decided to allow 50 % subsidy on Base Premium of Rs. 3.00 lakhs under APP (Policy 'B') to all Family Pensioners and to pensioners 70 years of age and above on the date of renewal (i.e. on 16.01.2020). Retirees 70 years of age and above & family pensioners, who are not in the existing policy, shall also be eligible to avail subsidy on enrolment.

(Amount in

Rupees)

Basic Plan	Basic Premium	Subsidy to Family Pensioners &
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<i>(Rs. in Lakhs)</i>		Retirees 70 years of age and above as on 16.01.2020
3.00	16,542	8,271
5.00	36,771	8,271

GST or other taxes / surcharges, if any, on premium will be borne by the retirees.

Members would be required to make payment of premium in full. After completion of renewal process, member wise list of eligible retirees will be prepared by concerned Administrative Offices and sent to their LHOs for compilation of data. LHOs shall submit the consolidated data to Corporate Centre for reimbursement of subsidy to eligible members. Reimbursement of subsidy will be made by Corporate Centre directly to the pension accounts of members.

vi. **Three-year Arrangement**

As per the terms and conditions of our Request for Proposal (RFP), premium quotes were obtained for three year period with a provision of annual renewal. Annual renewal will be done as per the terms of the RFP accepted by SBI General Insurance Co. Ltd. This is done with a view to ensure continuity of Insurance Co. / TPAs etc. The premium will not undergo an upward revision during the three year period, if the policy is continued with SBI General Insurance Co.

It has been observed that retirees / family pensioners face difficulties with the two policies (Policy 'B' and Policy 'A') running with two different companies. Operational functionaries at Administrative Offices also face difficulties in identifying the TPA for members. Therefore, it has been decided to make both the policies co-terminus from 16th January, 2021 onwards. AAP (Policy 'B') will be renewed with SBI General Insurance Co. Ltd. on its due date i.e. on 16th January, 2020 and OTPP (Policy 'A') will be renewed with SBI General Insurance Co. Ltd. from 1st June, 2020 to 15th January, 2021. From 16th January, 2021, both the policies will run concurrently. Existing Policy-A will continue to be with IFFCO Tokio General Insurance Co. Ltd. until 31st may, 2020.

vii. **Domiciliary Facility (e-Pharmacy Tie-up)**

There will be no provision of domiciliary cover in APP (Policy 'B'). To support the members of APP meet the domiciliary medical expenses, it has been decided to provide e-Pharmacy facility to all members of APP (Policy 'B') upto Rs. 18,000/- with an own contribution of Rs. 6,000/-. Bank is in the process of making arrangements with a reputed company in e-Pharmacy field for provision of such services.

(Amount in Rupees)

Total Domiciliary Limit to the members of APP (to be provided outside Insurance Policy)	Initial payment to be made by member upto	Bank's Contribution after initial payment by the member
Rs.18,000/-	Rs.6,000/-	Rs.12,000/-

The details of the scheme / modus of operation etc. will be circularized separately.

viii. **Critical Illness cover**

An optional Critical Illness cover for Rs. 5.00 lakhs was provided in the policy during the last renewal for the undernoted six specified diseases:

- i) *Stroke resulting in permanent symptoms*
- ii) *Cancer of specified severity*
- iii) *Kidney failure requiring regular dialysis*
- iv) *Major organ / bone marrow transplant*
- v) *Multiple sclerosis with persisting symptoms*
- vi) *Open chest CABG (Coronary Artery Surgery)*

It is proposed to include the following additional diseases under the Critical Illness cover:

- i) *First Heart attack*
- ii) *Coma of specified severity*
- iii) *Heart valve replacement*
- iv) *Permanent paralysis of limbs*
- v) *Motor neuron disease with permanent symptoms*

- vi) *Aorta Graft surgery*
- vii) *Total blindness*
- viii) *Open heart replacement or repair of heart valves*

The premium applicable for the optional Critical Illness cover is as under:

(Amount in Rupees)

Critical Illness Cover	Basic Premium	GST (@18%)	Gross Premium
5,00,000	13,774	2,479	16,253

Other terms & conditions for availing Critical Illness cover shall be as under:

- a) Critical Illness Cover will not be available separately and can only be taken with Basic and Super Top up covers taken together.
- b) Entry shall be available only upto the age of 65 (as on 16.01.2020). However, renewals can be done beyond 65 years on a continuous basis.
- c) There will be a waiting period of 90 days and surviving period of 30 days under the policy.
- d) Members who have opted for Critical Illness Cover in the past may continue to take the cover. Waiting period of 90 days will not be applicable to such members.
- e) Pre-existing ailments will not be covered under the Critical Illness Cover.
- f) Critical Illness Cover will be available only to the primary member and not to spouse / dependent.

In an event of the insured person being diagnosed with one of the critical illnesses defined in the policy after the lapse of waiting period of 90 days and surviving period of 30 days, the Insurance Co. would pay the full sum insured under the critical illness cover to the insured member. However, waiting period & entry age of 65 yrs. would not be applicable for those Retirees who are existing members of Critical illness cover under the expiring Policy for ailments from serial number I to VI. Thus, for a claim to be admissible under Critical Illness cover, two conditions have to be

complied with – (i) no claim would be admissible for first 90 days (ii) After the waiting period of 90 days, if the insured is diagnosed with any of the 14 listed ailments and survives for 30 days after the first detection of the disease, total cover amount (Rs. 5.00 lakhs) under the critical illness will become admissible.

The Insurance company shall pay the insured person only once in respect of any one of the covered illness under the policy. The Critical Illness Cover ceases after admission of any claim and no further claim will be admissible under the said Cover. However, benefits under the Base plan or the Super Top-up Plan would continue to be available as per the terms & conditions of the said coverage and the available sum insured.

The option for Critical Illness plan has to be exercised simultaneously with the Base Plan + Super Top-up Plan taken together and the premium for the same is to be paid along with main policy (premium on Super Top-up cover will be paid by the Bank). Critical Illness plan cannot be availed at a later date if it is not opted for at the time of enrolment / renewal.

ix. **Dental Treatment**

The policy will cover reimbursement of expenses on dental treatment only for Root Canal Treatment up to a maximum of Rs. 7,500 per annum per family. Dental cover will not include extraction, filling, crowning or restoration. This will be an add-on benefit to the members and will form part of the Basic Sum Insured.

B. **Revamping of SBI-REMBS**

It is proposed that the membership under present structure to SBI-REMBS will be frozen as on 31st December, 2019 and memberships will be allowed to subsequent retirees only under a new structure / plan. All the members (existing & new) will continue to avail their benefits upto their residual balances under the REMB Trust Rules as at present.

One Time Payment Plan (OTPP) – “SBI Health care” :

The plan under SBI-REMBT will be applicable for the employees retiring on or after 1st January, 2020. Based on actuarial assessment, member's contribution towards the Life time Limits under the new plan have been revised as under :

(Rupees in lakhs)

Lifetime Limit	Amount of contribution by members
7.00	1.63
10.00	2.30
15.00	3.00
20.00	3.75

Eligibility criteria for membership will be same as existing SBI Retired Employees' Medical Benefit Scheme. However, retirees eligible for cover under OTPP can choose any of the Life time Limits as per their medical need by paying the contribution amount and the same shall not be designation linked. The plan will cover pensioners, their spouses and disabled children, if any. Other terms & conditions of the scheme will be as under:

- a. New members under OTPP will be migrated to an insurance policy as is done in case of existing members of SBI-REMBS one month after ratification of their membership in the Trust.
- b. The existing policy with IFFCO Tokio General Insurance Co. Ltd. will continue up to 31st May, 2020 with no changes in policy terms.
- c. Old and new members joining OTPP will be covered under the existing policy till 31st May, 2020.
- d. Insurance cover for members under SBI-REMBS / OTPP will be provided by SBI General Insurance Co. Ltd. from 1st June, 2020 onwards.

Modified Policy 'A' (OTPP) with effect from 1st June, 2020

Insurance cover for SBI-REMBS / OTPP members w.e.f. 1st June, 2020 will be as under:

- a. The insurance cover will be provided by SBI General Insurance Co. Ltd.
- b. Insurance will be taken for the members whose residual balance is Rs. 3.00 lakhs and above.

- c. Medical claims of members having balance below Rs. 3.00 lakhs will be paid by the Trust and they will be out of the insurance scheme.
- d. Any amount of claim beyond total allocated limit in the Insurance Policy will be paid by the Trust.

i. Basic Covers under OTPP (erstwhile Policy-A)

As a measure to control the premium and for allocating justified Basic Cover, members having residual balance of Rs. 3.00 lakhs to Rs. 10.00 lakhs will be provided Basic Cover of Rs. 3.00 lakhs with a Super Top Up cover of 6.00 lakhs. Proposed insurance cover under OTPP will be as under w.e.f. 01.06.2020:

(Rupees in lakhs)

Residual balance under REMBS	Base Plan	Super Top-up (with 'Deductible' of Rs. 2.50 lakhs)	Total Cover to Member
Rs. 3.00 lakhs to below Rs. 10.00 lakhs	3.00	6.00	9.00
Rs. 10.00 lakhs and above	5.00	6.00	11.00

Premium on both the Base Plan and Super Top-up cover will be paid by the Trust.

ii. 'Deductible' portion under Super Top-up Cover

There will be a 'Deductible' portion of Rs. 2.50 lakhs within the Super Top-up cover. If Super Top-up cover is triggered, 'Deductible' portion will be taken from Base Plan, and members will not have to pay from their own pocket.

For example, in case there is a claim of Rs. 5.00 lakhs under Super Top-up plan of Rs. 6.00 lakhs with a Base policy of Rs. 3.00 lakhs, base policy of Rs. 3.00 lakhs will be used first and it will be considered that the pensioner has contributed his portion of 'Deductible' amount out of the Base plan, and thereby, remaining amount of Rs. 2.00 lakhs of the claim will be settled from the Super Top-up plan. In case the claim exceeds total cover taken by the Bank, the excess amount over and above total cover will be paid by the Trust (up to the residual amount under SBI-REMBS).

iii. Annual Domiciliary Limit under OTPP

The domiciliary limit under OTPP will be upto 1 % of Life time Limit annually subject to a cap of total 10 % for the life time. Annual domiciliary limit under various Life time limits will be as under :

Lifetime Limit under SBI-REMBS	Annual Domiciliary Limit @ 1% of Life time limit
300000	3000
400000	4000
500000	5000
700000	7000
1000000	10000
1500000	15000
2000000	20000

iv. **Ailment wise expenditure cappings**

Ailment wise expenditure cappings under OTPP (SBI Health Care) will be as under :

S I	Name of Ailment	Existing Limits	Proposed Limits for Basic Plan of Rs. 3.00 lakhs	Proposed Limits for Basic Plan of Rs. 5.00 lakhs
1	Angioplasty	1,50,000	2,00,000	2,25,000
2	Coronary Artery Bypass Graft	2,50,000	3,00,000	3,25,000
3	Cataract	30,000	45,000	50,000
4	Cholecystectomy	70,000	1,00,000	1,25,000
5	Hernia	70,000	1,00,000	1,25,000
6	Knee Replacement - Unilateral	1,75,000	2,00,000	2,25,000
7	Knee Replacement - Bilateral	2,50,000	3,25,000	3,50,000
8	Prostate (Other than treatment of Prostate Cancer)	80,000	1,00,000	1,25,000

v. **Room Rent / ICU Rent / ICCU Rent cappings**

The Room Rent / ICU Rent / ICCU Rent under OTPP will be as under :

Basic Plan (Rs. in Lakhs)	Existing		Proposed	
	Room Rent	ICU / ICCU Rent	Room Rent	ICU / ICCU Rent
3.00	4,000	7,500	5,000	9,500
5.00	4,000	7,500	7,500	12,000

vi. **Dental Treatment**

The policy will cover reimbursement of expenses on dental treatment only for Root Canal Treatment up to a maximum of Rs. 7,500 per annum per family. Dental cover will

not include extraction, filling, crowning or restoration. This will be an add-on benefit to the members and will form part of the Basic Sum Insured.

C. **Procedure for Renewal / Membership for APP (Policy 'B')**

a) Existing members of Policy 'B', willing to renew their policy, will fill up the simplified Consent Form (enclosed as Annexure -II) manually by obtaining from branches/AO and submit to the pension paying branch along with cheque/debit authority for applicable premium amount as per premium chart.

b) Existing Members of Policy 'A' who are willing to obtain additional cover under APP (Policy 'B') will fill up the Application Form (enclosed as Annexure -I) manually by obtaining from branches/ A.O. and submit to the pension paying branch with cheque/debit authority for applicable premium amount as per premium chart.

c) Old retirees of SBI who are willing to enrol in APP for first time and retirees of e-ABs who are willing for enrolment under APP will fill up the Application Form (enclosed as Annexure-I) manually by obtaining from branches/ AO and submit to the pension paying branch with cheque/debit authority for applicable premium amount as per premium chart.

d) Post merger retirees of e-ABs should mention their HRMS ID instead of PF ID on the Application Form in column no. 1A. Old retirees of e-ABs who retired before merger should mention the name of the e-AB (SBM, SBT, SBBJ, SBP, SBIN, SBS & SBH) against their PF ID (for example "**1234 SBM**") in column no. 1B.

e) In respect of new enrolments by members who retire/have retired on or after 16.01.2020, the premium is to be collected on pro-rata basis as per the extant guidelines. Branches can contact CMs(HR) at their respective A.O. to obtain exact pro-rata premium applicable to the new retiree. The Pro-rata calculator will be supplied to all CMs(HR).

f) New retirees who retire/have retired on or after 16.01.2020, willing to enroll for the policy, will also be required to fill up the Application Form (enclosed as Annexure-I) manually by obtaining from Branches/A.O. and submit to the pension paying branch along with cheque/debit authority for applicable pro-rata premium amount.

g) The branch will arrange for debiting the applicant's account with the amount of gross

premium (i.e. Basic Premium plus GST) and credit the same to Current Account opened by each A.O. for collection of premium.

h) Once
premium is deposited in the designated account at A.O., the branch will forward duly filled-in application forms [mentioning (a) Transaction No. (b) Date of Transaction; and (c) Amount] to concerned A.O. for further action.

i) A.Os
on receiving the application form, will verify the same and check the eligibility of the applicant and ensure that all necessary details have been filled and also correct amount of premium has been deposited in the Current Account maintained at A.O.

j) A.Os
will simultaneously prepare a list (as per Annexure -IV) containing details of the applicants and send the soft copy through email to HR Department at their respective LHO and also transfer the consolidated amount to Main Collection Account maintained by PPG department, Corporate centre, Mumbai. Specific dates for transfer of consolidated premium to Corporate Centre and data file sharing will be communicated by Corporate Centre to LHOs / A.Os.

k) The
A.Os should ensure that the amount remitted to Corporate Centre tallies with the column total of 'Premium Paid by pensioner' in the excel file sent by them to their respective LHO. **A.Os should not send data files directly to Corporate Centre.**

l) HR
Department at each LHO, on receiving the enrolment details / files from their A.Os, will verify and collate the details in a single file in different sheets (as per Annexure-IV) for each A.Os and send the same to PPG Department, Corporate Centre on the dates communicated to them.

m) PPG
Department, Corporate Centre, on receiving the files from each LHO, will prepare a consolidated list and send the same to the Insurance Company along with the total premium amount i.e. collected premium amount by means of a single cheque drawn on the main collection account at fortnightly intervals.

As all renewal enrolments are supposed to be completed by 15.01.2020 it has been decided that first payment of premium will be made on 04.01.2020 and second payment of premium will be made on 10.01.2020 to ensure timely and smooth enrolments. After remittance on 10.01.2020, premium collected from 11.01.2020 upto 15.01.2020 should be sent to Corporate Centre on 15.01.2020 itself. Tallied enrolment details must be sent by LHOs to Corporate Centre on the date of remittances without fail.

Please bring the contents of the circular to the knowledge of all concerned.

Yours faithfully,

(K. T. Ajit)

Chief General Manager (HR)

Encl : Annexures as under:

Annexure-I : Application form for new retirees / prospective members

Annexure-II : Consent form for renewal

Annexure-III : Premium Chart

Annexure-IV : Reporting Format