



All branches and offices of  
State Bank of India

Madam/ Dear Sir,

**GROUP MEDICLAIM POLICY FOR SBI RETIREES (POLICY ± `B')**  
**RENEWAL OF POLICY ON MODIFIED TERMS & CONDITIONS**  
**SUBSIDIZATION OF PREMIUM**

Please refer to our e-circular No. CDO/P&HRD-PPFG/82/2016-17 dated January 06, 2017 advising renewal of Group Mediclaim Policy for SBI retirees (Policy - B) with effect from January 16, 2017 and modifications in terms and conditions of the policy. The policy is again due for renewal on 16.01.2018.

2. On perusal of the claims settlement data during the current policy period, it was observed that claims settlement under the policy was very high and accordingly premium rates for renewal would be very high this year.

3. With a view to bringing long term sustainability to the policy, it was decided to bring certain modifications in the policy in consultation with the Insurance Company and the Insurance Brokers. Based on their suggestions and feedbacks, it has been decided to implement the following modifications in Policy `B' for the next policy term with effect from 16.01.2018.

- (i) Separate policies for `With Domiciliary Cover' and `Without Domiciliary Cover' under each Plan (Sum Insured) to enable retirees to choose plans as per their requirement.
- (ii) Under the `With Domiciliary Cover' option, domiciliary treatment cover would be available upto 10% of the Basic Sum Insured.
- (iii) Discontinuation of Plans I & J i.e. Sum Insured of Rs. 1.00 lacs & 2.00 lacs, which were introduced last year, as these are basic plans with limited benefits and membership under these plans has been very poor.

- (iv) Rationalization of ceiling on room rents and ceiling on expenditures for certain common diseases / ailments on the basis of categorization of centres where treatment is taken, as already implemented in Policy `A' (Details placed in Annexure).
- (v) There shall be restrictions on free entry / exit from the policy and also restrictions on free movement between plans on renewal.

4. After incorporating the aforesaid modifications in the Policy `B', the Insurance Company (UIICL) has proposed the following premium for renewal:

Plan	Sum Insured	Without Domiciliary Cover			With Domiciliary Cover		
		Premium Rate	GST @ 18%	Actual Premium	Premium Rate	GST @ 18%	Actual Premium
A	3,00,000	16,524	2,974	19,498	28,110	5,060	33,170
B	4,00,000	26,088	4,696	30,784	42,480	7,646	50,126
C	5,00,000	37,175	6,692	43,867	59,293	10,673	69,966
D	7,50,000	73,062	13,151	86,213	1,03,099	18,558	1,21,657
E	10,00,000	1,10,996	19,979	1,30,975	1,50,702	27,126	1,77,828
F	15,00,000	2,17,790	39,202	2,56,992	2,76,084	49,695	3,25,779
H	25,00,000	2,33,055	41,950	2,75,005	2,89,275	52,070	3,41,345

5. The competent authority has granted its approval for the aforementioned modifications in the policy as detailed in Para ± 3 and has also granted approval for renewal of the Group Medclaim Policy `B' on the revised rates as detailed in the table above.

#### 6. Eligibility for Membership:

- a) The policy will continue to be available to the existing members enrolled and to members of Policy `A' subject to payment of renewal premium.
- b) The policy will continue to be available to the Independent Directors of the Bank, subject to payment of premium from own sources.
- c) Eligible new retirees / spouses of deceased employees may join the Policy `B' within 60 days from the date retirement / death by paying the premium from their own sources.

#### 7. Other Terms & Conditions:

- a) Existing members, willing to renew their policy, must pay their premium before commencement of next cover period i.e. upto 15/01/2018. No extension of time for renewal of policy will be granted.

- b) Existing members, willing to renew their policy, can choose any plan from either 'With Domiciliary Cover' option or 'Without Domiciliary Cover' option of their existing Sum Insured or lower Sum Insured. **The option to choose a higher Sum Insured from their existing plan will not be available.**
- c) Rs. 25.00 lacs plan will now be available only to the existing members under the plan (i.e. those who are already enrolled under Rs. 25.00 lacs plan can renew their plan).
- d) Existing members of Policy 'A' can obtain additional cover under Policy 'B' and chose any plan from Rs. 3.00 lacs to Rs. 15.00 lacs under the 'With Domiciliary Cover' option or 'Without Domiciliary Cover' option. Such enrolment will be permitted only at the time of commencement of cover period i.e. upto 15/01/2018. Neither extension of time for enrolment in such cases will be granted nor will enrolment at any time of the year during the currency of policy be permitted anymore.
- e) New retirees / other prospective members can choose any one of the plans from Rs. 3.00 lacs to Rs. 15.00 lacs by paying the premium from their own sources. Pro-rata premium will be paid in such cases.
- f) Members, who opt out of the scheme, for any reason whatsoever, will not be permitted to become a member of the policy again before expiry of 3 years period.
- g) Members will not be permitted to opt for a higher Sum Insured at the time of renewals.
- h) Coverage for dental treatment / dental surgery will now be available only in case of hospitalization arising out of accidents.

All other terms & conditions of the policy and instructions relating to the scheme will remain the same.

## **8. Subsidization of Premium**

With a view to providing some relief to the pensioners in obtaining a reasonable medical insurance coverage, it has been decided by the Bank to provide subsidy in premium to all members joining the policy.

The guiding principle for providing subsidy is to enable a pensioner to obtain basic health insurance coverage i.e. to at least secure a Rs. 3.00 lacs (non-domiciliary) plan. Accordingly, the scale of subsidy for each category of pensioner on the basis of gross monthly pension has been worked out as under:

SI	Pensioner Category (including Family Pensioners)	Basis of Calculation
1.	Pension upto Rs. 20000	75% of Gross Premium `or' Rs. 15000 whichever is lower
3.	Pension Rs. 20000 - 30000	60% of Gross Premium `or' Rs. 12000 whichever is lower
4.	Pension Rs. 30000 - 40000	50% of Gross Premium `or' Rs. 12000 whichever is lower
5.	Pension above Rs. 40000	25% of Gross Premium `or' Rs. 10000 whichever is lower

- a) While a member would be free to choose from any of the plans either under 'domiciliary' or non-domiciliary' cover, subsidy would be provided only to the extent of maximum amount indicated in table above and remaining amount of premium would have to be borne by the member.
- b) For the purpose of determination of pensioner category, gross month pension would be taken as Basic pension + Dearness Relief (uncommuted basic pension).
- c) Subsidy would be administered upfront and the member renewing his / her plan or enrolling afresh will be required to pay the differential amount of premium after deducting the admissible subsidy.

**Chart for admissible subsidy and premium payable for each category of pensioner is enclosed as annexure.**

## **9. Procedure for Renewal / Membership**

- a) Existing members, willing to renew their policy, will fill up the simplified consent form (enclosed as annexure) manually by obtaining from branches and submit to the pension paying branch along with cheque/debit authority for applicable premium amount.
- b) Members of Policy 'A', willing to obtain additional cover under Policy 'B' will fill up the revised application form (enclosed as Annexure) manually by obtaining from branches and submit to the pension paying branch with cheque/debit authority for applicable premium amount.
- c) New retirees, willing to enroll for the policy, will also be required to fill up the revised application form (enclosed as Annexure) manually by obtaining from branches and submit to the pension paying branch along with cheque/debit authority for applicable premium amount.
- d) In respect of new enrolments by members who retire/have retired on or after 16.01.2018, the premium is to be collected on pro-rata basis as per the extant guidelines.

- e) In respect of renewal applications, the net premium to be collected from the member would be the applicable premium (incl. GST) for the plan selected less the admissible subsidy amount. The subsidy component for each member enrolled will be met by Corporate Centre and full premium for each member will be remitted to the Insurance Company.
- f) In respect of new enrolments by members who retire/have retired on or after 16.01.2018, the premium is to be collected on pro-rata basis as per the extant guidelines. Accordingly, for such members, subsidy amount would also be admissible on pro-rata basis.
- g) The branch will arrange for debiting the applicant's account with the amount of net premium (i.e. Gross Premium incl. GST as in Para.4 above minus admissible subsidy) and credit the same to Current Account opened by each Zonal Office for collection of premium.
- h) Once premium is deposited in the designated account at Zonal Office, the branch will forward the completed application forms [mentioning (a) Transaction No. (b) Date of Transaction; and (c) Amount] to concerned Zonal Office for further action.
- i) Zonal office on receiving the application form, will verify the same and also 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 at Zonal Office.
- j) Zonal office will simultaneously prepare a list (as per Annexure) 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 (Current Account No. 35411898837 maintained at SBI Madame Cama Road Branch on the same day.
- k) The Zonal Offices 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.
- l) HR Department at each LHO, on receiving the enrolment details / files from their zonal offices, will collate the details in a single file in different sheets and send the same to PPG Department, Corporate Centre.
- m) PPG Department, Corporate Centre, on receiving the list 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 plus amount of subsidy component by means of a single cheque drawn on the main collection account at fortnightly intervals.

10. As all renewal enrolments are supposed to be completed by 15.01.2018 and no extension of time for enrolment is permitted, it has been decided that first payment of premium will be made on 09.01.2018 and second payment of premium will be made on 15.01.2018 to ensure timely and smooth enrolments.

Accordingly, Zonal Offices should ensure that premium collected till 08.01.2018 is remitted to the Main Collection account at Madame Cama Road Branch on 09.01.2018 and enrolment details are also mailed to the respective LHOs. The LHO on receipt of the files will verify correctness and mail the same to PPG Department at Corporate Centre on the same day. Similar process must be followed for the premium collected till 14.01.2018.

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

Yours faithfully,

(Prashant Kumar)

**Deputy Managing Director (HR) &  
Corporate Development Officer**

Encl : Annexures as under:

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

Annexure-II : Consent form for renewal

Annexure-III : Rationalization of expenses & categorization of centres

Annexure-IV: Premium & Subsidy Chart

Annexure-V: Reporting Format