

LIFE INSURANCE CORPORATION OF INDIA
CENTRAL OFFICE

Department :Personnel/ER

Circular No. :CO/PER/ER-A/066/2014

"Yogakshema",
Jeevan Bima Marg,
Mumbai – 400021.

28th April, 2014

ALL OFFICES OF THE CORPORATION

Re : PREMIUM RATES FOR FAMILY FLOATER POLICY & OPTION FOR INCREASED COVER UNDER GROUP MEDICLAIM SCHEME

This is further to CO circular no. CO/PER/ER-A/058/2014 dated 04/03/2014 on revision in limits of cover under Group Mediclaim Scheme.

Our Group Mediclaim Policy covering in-service employees, retired employees and their dependents has been renewed for the year 2014-2015. Employees/Retired Employees and their family are covered by Family Floater coverage w.e.f. 01/04/2014. The compulsory Family Floater Sum Insured and corresponding benefit category are as under:

BASIC PAY	CATEGORY	COMPULSORY FAMILY FLOATER SUM INSURED
Below Rs.22,146/-	III	Rs.300000/-
Between Rs.22,146/- and Rs.30,749/-	II	Rs.400000/-
Rs.30,750/- and above	I	Rs.600000/-

There is also provision of optional increased sum insured in which an employee can opt for increased sum insured (on floater basis) for **Rs.4 lacs, 5 lacs, 6 lacs, 8lacs, 10 lacs, 12 lacs, 15 lacs & 20 lacs** (inclusive of the limits set out in Table above).

Sharing of premium between in-service/retired employees and the Corporation shall be only for compulsory family floater mediclaim cover. While in case of in-service employee, sharing of premium will be for the employee, spouse and two dependent children, for a retired employee sharing of premium will be for retired employee, spouse and dependent disabled children.

1. Option for Additional Family Floater Cover

This option for additional floater sum insured is subject to the following conditions:

1. It may be noted that in no case can total floater sum insured (compulsory + additional) exceed Rs.20 Lakh.
2. The last date for exercising option by employees/retired employees shall be 31st May, 2014. Option Form for increased Floater cover is enclosed.
3. Risk under additional Floater cover (in excess of compulsory Floater sum insured) will start from 01/07/2014.

4. The entire premium for the additional Floater cover shall be borne in full by the concerned employee/retired employee.
5. The additional Floater sum insured shall also be applicable to the entire unit of family (employee/retired employee and family members covered under compulsory Family Floater cover).
6. Employees/Retired Employees who were already covered for additional sum insured or employees/retired employees who have opted for additional sum insured from the policy year 2014-15 or desire to opt for additional cover are required to exercise the option afresh for Additional Floater cover with the desired cover clearly stated in the option form.
7. In case of change in category of the in-service employees because of change in their Basic Pay, the additional floater sum insured can be reduced but total floater sum insured (compulsory + additional) shall not be reduced from total floater sum insured available in previous policy year. For example: An employee falls under category II and having total floater coverage of Rs.10 Lakh (compulsory: Rs.4 Lakh + additional: Rs.6 Lakh). On next renewal he/she will fall under category I because of change in his/her Basic Pay. Then he/she shall be covered for compulsory and additional floater cover of Rs.6 Lakh and Rs.4 Lakh respectively.
8. The option for increased Floater sum insured shall be available **once** in a period of **three policy years**. To clarify, those employees/retired employees who do **not** opt for increased Floater sum insured will not be eligible to exercise the option for increased Floater mediclaim coverage in the next two renewals of Mediclaim Policy.
9. Once an employee/retired employee opts for increased Floater sum insured, he/she will not be allowed to lower the total Floater sum insured. However, he/she can reduce the total Floater sum insured proportionately to the next available total Floater sum insured on exit of any member by way of death/ineligibility but compulsory Floater sum insured will remain same. For example: If any family of four members is covered for total Floater sum insured of Rs. 20 Lakh and one member exits due to his/her ineligibility on next renewal, employee can reduce total Floater cover from 20 Lakh to 15 Lakh. For the same coverage if number of members is 5 then proportionate reduction in total Floater cover on exit of one member will be Rs.4 Lakh but cover for Rs.16 Lakh is not available. Therefore, employee will have to go for next available total Floater cover of Rs.20 Lakh.

You are advised to ensure that retired employees and spouse of deceased employees/retired employees are informed about the premium rates and availability of the option for increased Floater sum insured.

2. Premium- Family Floater Mediclaim Cover

The annual premium chargeable per person for various age bands and total Family Floater sum insured for the policy year 2014-2015 in Table A & B are as follows:

Table A

Premium applicable for Emp. / Retired Emp. and spouse of Deceased Emp. or Deceased Retired Emp.							
Floater sum insured	0-35	36-45	46-55	56-65	66-70	71-75	76 and above
300000	2879	3188	4698	5422	7033	7865	10347
400000	3686	4103	5954	6950	8989	10023	13139

500000	4285	4823	7160	8393	10955	11970	15596
600000	4716	5354	8086	9507	12492	13447	17442
800000	5282	5996	9056	10648	13991	15061	19535
1000000	5810	6596	9962	11713	15390	16567	21489
1200000	6304	7157	10809	12708	16698	17975	23315
1500000	6808	7729	11673	13725	18034	19413	25180
2000000	7217	8193	12374	14548	19116	20578	26691

Table B

Premium applicable for Dependent and Additional Dependent of Employees/Retired Employees							
Floater sum insured	0-35	36-45	46-55	56-65	66-70	71-75	76 and above
300000	432	638	1175	1736	2251	2517	3517
400000	553	821	1489	2226	2876	3207	4467
500000	643	965	1791	2687	3506	3830	5302
600000	707	1071	2022	3042	3998	4303	5930
800000	792	1200	2265	3407	4478	4819	6642
1000000	871	1319	2491	3748	4926	5301	7306
1200000	945	1432	2703	4066	5344	5752	7927
1500000	1021	1546	2919	4392	5772	6212	8561
2000000	1082	1639	3094	4655	6118	6585	9075

Premium for additional Floater cover (in excess of compulsory Floater sum insured) is to be calculated and collected from employees/retired employees for 09 months on pro rata basis. In case of in-service employees, deduction for the premium of additional Floater cover shall start from the salary for the month June 2014.

Illustrations for calculating premium

1. Total premium of a family which is covered for compulsory Family Floater sum insured of Rs.4 Lakh and subsidy in premium are given below in Table:

COMPULSORY FAMILY FLOATER COVER FOR Rs.4 LAKH				
Family Members	Age	Premium as per Table A & B	Subsidy in premium @75% (Col. 3 X 75%)	Net Premium payable by employee (Col. 3-Col. 4)
1	2	3	4	5
Employee	48	5954	4465.50	1488.50
Spouse	44	821	615.75	205.25
Child 1	20	553	414.75	138.25
Child 2	17	553	414.75	138.25
Father	74	3207	0	3207
Mother	70	2876	0	2876
TOTAL		13964	5910.75	8053.25

2. An employee and his/her family is covered for compulsory and Optional additional Floater cover for Rs.600000/- and Rs.900000/ respectively. Therefore, increased Family Floater Cover will be Rs.15 Lakh. Calculation of total premium and subsidy in premium are given below:

TOTAL FAMILY FLOATER COVER FOR Rs.15 LAKH

Family Members	Age	Premium of total Floater cover as per Table A & B	Premium of compulsory Floater cover as per Table A & B	Subsidy in premium @75% (75%XC0l.4)	Premium of compulsory Floater cover payable by Employee (Col.4-Col.5)	Premium of additional Floater cover (Col.3-Col.4)	Premium of additional Floater cover for 9 month payable by employee (Col.7 x 9/12)	Total premium payable by employee in policy year 2014-15 (Col.6+Col.8)
1	2	3	4	5	6	7	8	9
Employee	52	11673	8086	6064.50	2021.50	3587	2690.25	4711.75
Spouse	49	2919	2022	1516.50	505.50	897	672.75	1178.25
Child	24	1021	707	530.25	176.75	314	235.50	412.25
Father	78	8561	5930	0	5930	2631	1973.25	7903.25
TOTAL		24174	16745	8111.25	8633.75	7429	5571.75	14205.50

3. A retired employee and his/her family is covered for compulsory and Optional additional Floater cover for Rs.300000/- and Rs.1700000/ respectively. Therefore, increased Family Floater Cover will be Rs.20 Lakh. Calculation of total premium and subsidy in premium are given below:

TOTAL FAMILY FLOATER COVER FOR Rs.20 LAKH

Family Members	Age	Premium of total Floater cover as per Table A & B	Premium of compulsory Floater cover as per Table A & B	Subsidy in premium @75% (75%XC0l.4)	Premium of compulsory Floater cover payable by retired employee (Col.4-Col.5)	Premium of additional Floater cover (Col.3-Col.4)	Premium of additional Floater cover for 9 month payable by employee (Col.7 x 9/12)	Total premium payable by employee in policy year 2014-15 (Col.6+Col.8)
1	2	3	4	5	6	7	8	9
Retd. Employee	66	19116	7033	5274.75	1758.25	12083	9062.25	10820.50
Spouse	62	4655	1736	1302.00	434.00	2919	2189.25	2623.25
TOTAL		23771	8769	6576.75	2192.25	15002	11251.50	13443.75

3. Mediclaim Data and statements

The data of all beneficiaries as on 01/04/2014 is essential for finalization of the premium. All the Zonal Offices are required to provide the updated data of the beneficiaries for Compulsory Floater Cover as on 01/04/2014 in enclosed Excel formats (Annexure -I) and consolidate the same in (Annexure -A) and submit the same to Central Office by 24/05/2014. The data of beneficiaries, who have opted for increased floater cover, needs to be submitted separately in the same Excel format (Annexure - I and Annexure - A) by 16/06/2014.

3. Claims Data

In addition to this, all the Divisional offices are required to maintain records for claim payments in enclosed Excel format (Annexure –II). Data for claim paid and pending (soft copy) is to be sent to the respective Zonal Office. The Zonal Office will consolidate the data for all the offices under its jurisdiction and submit it to Central Office as follows:

Claim Data	Last Date for receipt at C.O.
Data for the period 01/04/2014 to 31/12/2014	07/01/2015
Data for the period 01/01/2015 to 28/02/2015	07/03/2015
Data for the period 01/03/2015 to 31/03/2015	07/04/2015

It is to be brought to the notice of all the members of scheme that intimation of claim should without fail reach the office within 7 days of admission to hospital and the claim must be filed within 20 days of discharge from the hospital.



Executive Director (Personnel)

- Enclosures:
1. Option Form
 2. Annexure – I (Separate for Compulsory and Increased Floater Cover)
 3. Annexure – II
 4. Annexure – A (Separate for Compulsory and Increased Floater Cover)