

Office of the Development Commissioner for
Handlooms, Ministry of Textiles, Udyog Bhavan,
New Delhi – 110011

Dated: 29th April, 2009.

INVITATION OF TECHNICAL & FINANCIAL BIDS FOR
HEALTH INSURANCE SCHEME FOR
HANDLOOM WEAVERS

The Office of the Development Commissioner for Handlooms, Ministry of Textiles invites technical and financial bids from reputed insurance companies for implementation of Health Insurance Scheme for **Handloom weavers** throughout the country during 2009-10. The details of eligibility criteria and terms and conditions for the bid can be obtained from the website www.handlooms.nic.in. This can also be collected from Smt. Charumathi Krishnan, Assistant Director, O/o D.C. Handlooms, Room No. 51-A, Ministry of Textiles, Udyog Bhavan, New Delhi-110011 phone No. 23063973 from 11.00 a.m. to 5.00 p.m. on working days.

The eligible companies may submit their bid in sealed envelopes latest by **18th May, 2009 by 12.00 Noon** in the chamber of Smt. Meenu S. Kumar, Chief Enforcement Officer, Room No.55-B, Udyog Bhawan, New Delhi.

(B K Sinha)
Development Commissioner (Handlooms)
Telephone No. 23063684, 23062945 (Office)

No.1/2/2009-DCH/Proj.I
Government of India
Ministry of Textiles
Office of the Development Commissioner for Handlooms

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Udyog Bhawan, New Delhi
Dated 29th April, 2009.

**Invitation of technical & financial bids for
Health Insurance Scheme for Handloom Weavers**

During the 11th Plan, the Health Insurance Scheme is a component of the Handloom Weavers Comprehensive Welfare Scheme. Under the Health Insurance Scheme 17.74 lakh weavers have been covered during 2007-08 and more than 18.00 lakh weavers have been covered during 2008-09.

The Health Insurance Scheme is proposed to be continued during 2009-10 for covering handloom weavers and other ancillary handloom workers and their families over a period of 01 year. During 2009-10 approximately 18 lakh handloom weavers and ancillary workers are likely to be covered under the scheme (at the current rate of premium). This bid will be operational for 01 year during the financial year 2009-10. Health care facilities are extended to handloom weavers through this scheme where approximately 80% of the premium shall be borne by the Central Government and almost 20% by the weavers.

With this background, financial bids are invited from all insurance companies dealing with health insurance and registered with IRDA for implementation of the Health Insurance Scheme for handloom weavers. The main features of the scheme are as follows:-

1 Objective of the scheme:-

- 1.1 All Handloom weavers whether male or female, are eligible to be covered under the "Health Insurance Scheme". The scheme will cover the weaver's family of four i.e. self, spouse and two children. The scheme is to cover persons between the age group of 01 day to 80 years. In case there is only one child in a family then one of the parents of the primary beneficiary of his/her choice can be covered under the scheme. In case there are no children in a family then both the parents of the primary beneficiary can be covered under HIS. In all, only four members in a family must be covered to avail the benefits under this scheme. In no case, wife/husband of same family shall be given separate cards.

- 1.2 The ancillary handloom workers like those engaged in warping, winding, dyeing, printing, finishing, sizing, Jhala making, Jacquard cutting etc. are also eligible to be covered.

2. Benefits

Eligible benefits will be as follows (Amt. in Rs.)

Annual Limit per family (1+3)	15,000/-
Sub Limits per Family:	
All pre-existing Diseases + New Diseases	15,000/-
Maternity Benefits (per child for the first two)	2,500/-
Dental treatment	250/-
Eye treatment	250/-
Spectacles	250/-
Domiciliary Hospitalization	4,000/-
Ayurvedic/Unani/Homeopathic/Siddha	4,000/-
Hospitalisation (Pre& Post Hospitalisation)	15,000/-
Baby coverage	500/-
OPD	7,500/-

Exclusions:

Corrective cosmetic surgery or treatment, HIV, AIDS, Sterility, Venereal diseases, Intentional self-injury, use of intoxicating drug or alcohol, War, Riot, Strike, Terrorism acts & nuclear risks.

3. Eligibility (To be submitted As per Proforma in Annexure-I)

3.1 The insurance company must have a valid license from IRDA to deal in health insurance. Please attach copy along with the bid.

3.2 The insurance company should have Health Insurance business of at least Rs.100 crores in any of the following years i.e. 2005-06, 2006-07 and 2007-08. The company must also give details of Gross Premium Income of three years i.e. 2005-06, 2006-07 and 2007-08. **Please attach copy of Audited Balance Sheet/Annual Report and any other proof showing details of Gross Premium Income and Health Insurance Business along with bid.** The company should have its presence either through its own offices/representatives/TPAs in at least 250 handloom clusters out of 470 handloom clusters, which can be seen on the official website at www.handlooms.nic.in and can also be obtained from the Office of the Development Commissioner for Handlooms. The insurance company must give documentary proof thereof. In case, this is not so, this should be organised within one month of the award of the work order and documentary proof be submitted thereof immediately. The insurance company must give the details of the office network in India.

3.3 The insurance company must have tie-ups with hospitals and nursing homes in or around at least 250 handloom clusters in the country for the OPD/IPD cashless facilities. If current coverage in handloom clusters is not available, then they will have to establish presence in at least 250 handloom clusters within one month of the award of the work order and a documentary proof be submitted thereof immediately. It is expected that the number of such cashless empanelled hospitals will be increased over a period of time and all the handloom clusters will be covered by the end of the financial year.

4. Other conditions

- 4.1 After the work order is awarded to the Company, an amount equivalent to the Government's contribution of the premium amount and service tax to the extent of 30% of the premium of the total number of weavers to be covered will be released to the Company. At any point of time when 66% of the above mentioned amount is utilised towards enrolment of the weavers, the company shall send a progress report to the Office of the Development Commissioner for Handlooms indicating the number of people enrolled and funds utilised for the same. On receipt of progress report, which will be corroborated further by a certificate from the State Government, Office of the Development Commissioner for Handlooms will take steps to release the next instalment of 30% of the premium. Further releases will be made in the same proportion till the figure of 90% is reached. Once UCs have been received for 90% then only the remaining amount of 10% will be released. However, insurance company shall not stop or delay enrolment of weavers for insurance for delay in release of funds, subject to the provisions of Section 64 VB of Insurance Act, 1938.
- 4.2 One weaver family would normally receive the benefit for one year on payment of his/her share of premium. For the financial year 2009-10, the budgetary allocation is of Rs.115 crores. During this year, 18 lakh weavers (appx.) are expected to be covered all over the country out of which 33% should be from the NER (i.e. Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim).
- 4.3 **Primacy should be given for renewals as far as possible.**
- 4.4 The minimum contribution by the weaver should be Rs.50/- per family even in cases where State Governments are making contribution on his behalf. GOI contribution towards premium shall continue at 80% plus service tax.
- 4.5 The insurance company shall pay/reimburse expenses incurred by the weavers in course of medical treatment availed of in any hospital or nursing home which are not empanelled by the company within the country, subject to limits/sub-limits. In such a case, the weaver may submit the prescription and the vouchers for the medicines to the insurance company or TPA who will ensure that full payment is made within **Fifteen days** after receipt of all the requisite documents and information.
- 4.6 The insurance company or its authorized representatives have to provide a cashless facility in nursing homes/hospitals empanelled by the Insurance Company/TPA in various States all over the country. This would mean that a patient can avail of treatment in any one of the empanelled hospitals without actually having to pay the bills. However, in the event of treatment in a non-

- network hospital the insured claimant shall be reimbursed directly by the insurance company.
- 4.7 The Policy shall be valid for a period of 12 months, from the date of receipt of premium by the insurer.
 - 4.8 The insurance company will prepare information related to this scheme/beneficiary in vernacular languages in different States. Insurance company shall give full publicity to the scheme so that large number of handloom weavers can benefit from this scheme. Besides giving advertisements in newspapers including in the concerned vernacular language other means such as TV interviews/Radio/local fairs/meetings and workshops shall also be used for creating awareness and for facilitating enrolments.
 - 4.9 The insurance company shall provide enrollment forms to the Director of Handlooms and the responsibility to enroll the weavers shall rest with the State Government.
 - 4.10 Before submission of UCs, the insurance company shall provide a list (hard and soft copy) of the beneficiaries to whom cards have been distributed containing full details such as father/husband's name and full residential address indicating house number and street number so that the person can be easily located for verification, to the D.C. Handlooms and the State Directors of Handlooms, to enable release of next installment of Central Govt. share of premium.
 - 4.11 The lists will be checked randomly by the State Governments. If any discrepancy is found in the number of weavers enrolled during the inspection on a random basis at various centres, the premium shall be refunded by the insurance company on a proportionate basis for that whole State. These random inspections will be done at least every three months by the State Government and a report sent to D.C. Handlooms.
 - 4.12 The Insurance Company shall submit a monthly report of total number of persons enrolled. State Director/Commissioner Incharge of Handlooms shall certify the number of such enrollments and issuance of health cards after due verification.
 - 4.13 The insurance company will send the monthly progress report **as per the prescribed format** along with the above mentioned certificates of the previous month **by 20th** of every month to the Office of the Development Commissioner for Handlooms indicating number of people insured, funds utilized and the claims settled as well as claims pending for more than **fifteen days** with reasons thereof in the prescribed format.
 - 4.14 The insurance company will hold meetings with the State Director incharge of Handlooms every month to review the implementation of the Health Insurance Scheme and take suitable steps to resolve all issues.
 - 4.15 The insurance company shall provide grievance/redressal centres in all four regions including NER in at least 250 clusters within one month from the date of finalization of the bid. It is expected that number of such centres shall increase over a period of time and all handloom clusters will be covered by the end of the financial year.
 - 4.16 The insurance agency and the Assistant Director (HL & Tex) of the district shall be equally responsible for timely settlement of the claims, distribution of reimbursement cheques to the beneficiaries and maintain detailed record thereof.

4.17 **Arbitration clause**

- i) In case of any dispute or difference, the matter shall be referred for Arbitration to the Secretary (Textiles), Ministry of Textiles which shall be final.
- ii) The Courts at New Delhi shall have jurisdiction for the purposes of the Arbitration and Conciliation Act, 1996.

5. **Financial bids (As per Annexure-II)**

- 5.1 The Insurance company should quote annual premium per family as per Annexure-II.
- 5.2 Premium quoted should be valid for **01 year** without any increase.
- 5.3 The insurance company should ensure that the claims ratio to accrued premium is not less than 70% of the annual premium accrued. If so, the surplus amount will be refunded by insurance company to the Government of India. The claims ratio will include claims paid, claims in process including IBNR and TPA charges.
- 5.4 DC(HL) may at any time discontinue the scheme by public notice and notice to the insurance company wherefore no new insurance shall be made but all earlier insurance undertaken shall be serviced during respective period of validity. A final account of Central Government share of premium and Service Tax and advance made shall be taken and cleared between the parties.
- 5.5 In case the contract is terminated with the Company for any reason and if the ratio of claims paid, claims in process including IBNR and TPA charges is less than 70% of the annual premium accrued, then the balance amount would be refunded to the Government of India.
- 5.6 The responsibility for collection of weavers' share of premium will lie with **State Government and the insurance company**.
- 5.7 The technical bid and financial bid should be sealed by the bidder in separate covers duly superscribed and both these sealed covers are to be put in a bigger cover which should also be sealed and duly superscribed. The bids in sealed envelopes should be sent to the following address (in the format enclosed in Annexure I & II) **latest by 12.00 Noon on 18th May, 2009** to:-

**Chief Enforcement Officer,
Office of the Development Commissioner for Handlooms
Room No.55-B, Udyog Bhawan, New Delhi-110011.**

- 5.8 Conditional bids will not be considered. Office of the Development Commissioner for Handlooms reserves the right to accept or reject any or all bids without assigning any reason.
- 5.9 **Bids will be opened at 12.30 p.m. on 18.5.2009 (Monday) in the chamber of D.C.Handlooms, Room No.56, Udyog Bhawan, New Delhi-110011.**
The bidders should submit the information in **Annexure.I and II** in two separate envelopes. On the envelope containing **Annexure.I**, 'Technical Bid' should be written and on the envelope containing **Annexure.II**, 'Financial Bid' should be written. The Technical bid shall be opened first and the financial bid of only those will be opened who fulfill the eligibility criteria.
- 5.10 For any further clarification, the Mrs. Charumathi Krishnan, Assistant Director, O/o D.C. Handlooms, Ministry of Textiles, Room No.51-A, Udyog Bhawan, New Delhi can be contacted, on any working day between 11.00 am. To 5.00 p.m. (Tele: 23063973).

(B.K. Sinha)
Development Commissioner (Handlooms)

Encl: **Annexure I & II**

ANNEXURE- I**FORMAT FOR TECHNICAL PROPOSAL****3.1 COMPANY PROFILE**

Name of the Insurance Company	
Registered Office of the Insurance Company	
IRDA License Number and validity (Please attach a photo copy)	

3.2 FINANCIAL STANDING OF THE COMPANY FOR THE FOLLOWING THREE YEARS

(Rs. in crores)

Year*	Gross premium income	Paid up Capital	Net Worth	Net Profit Before Tax
2007-08				
2006-07				
2005-06				

* A copy of the audited balance sheet/ Annual Report and any other proof showing the details for each year may be enclosed

3.2 OFFICE NETWORK IN INDIA

(Address proof / Contact details to be provided herewith)

Region	Number of offices of the Insurance Company
North	
South	
East	
West	
Total	

3.2 HEALTH INSURANCE EXPERIENCE (Please attach photo copies of work orders)				
Name of the Insurance Scheme	Year	No of individuals covered	Nature of Policy	Total Premium collected
EXPERIENCE OF HANDLING OPD CLAIMS, (Please attach photocopies of the work-orders)				
Name of the Insurance Scheme	Year	Number of individuals covered	Nature of the Policy	

ANNEXURE II

FORMAT FOR FINANCIAL PROPOSAL

From

To
Development Commissioner for Handlooms
Office of the D.C. Handlooms
Ministry of Textiles
NEW DELHI

Sir,

Sub: Appointment of General Insurance Company for providing Health Insurance Cover to Handlooms Weavers

We have read and understood all the terms and conditions of your Health Insurance Scheme and agree to abide the same.

We _____ (insurance company) herewith give our price proposal for selection of our company for the above mentioned project for a period of 1 year.

We will be paid a rate of Rs. _____ (Rupees) per family as per the details worked out below.

Premium Rs. _____
Service Tax Rs. _____
Total Rs. _____

We will give primacy to renewals as far as possible.

Yours faithfully

Date _____

Place _____

Signature _____
Full Name _____
Designation _____
Address _____
(Name of the Company)