

THE Karakuram Cooperative Bank

Terms of Reference For Submission of Proposal For Health Insurance

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Part A: Request for Proposal Advertisement



The Karakoram Co-operative Bank Limited

Tender Notice

Karakoram Cooperative Bank LTD. "KCBL" Gilgit Baltistan has been established with an objective to promote economic activities in the GB. KCBL invites bids (Single stage two envelopes) from interested Health Insurance Providers for health coverage of its employees around 850 and dependents with effect from 1st January, 2026 to 31 December 2026.

Health Insurance Companies may submit by hand or via courier their Technical and Financial Proposals to KCBL Head Office before 22nd of December, 2025. Companies having regional office in Gilgit Baltistan to handle health insurance claims are encouraged to apply. The Company would be selected purely on criteria given in RFP, which can be downloaded from website: www.kcb.com.pk or obtain through email at hr@kcb.com.pk.

Human Resources Department
KCBL, Head office Jutial Gilgit.
Phone: 05811-457523-457972
Email: hr@kcb.com.pk

Part - B: INTRODUCTION

This Request for Proposal ("RFP") provides the participating insurance companies with the necessary information to allow the company/firm to prepare a comprehensive Proposal in response to this RFP. This section contains solicitation information and procedures, response submission instructions and general response format requirements. The Insurance Company is expected to examine carefully all requirements stipulated in this document and respond to each requirement individually in the format prescribed.

This document represents the best estimate of The Karakoram Cooperative Bank (KCBL) current requirements. KCBL reserves the right to adjust the specifications or scope of its requirements as stated in this document. In the event that any modifications to the original document become necessary, all Suppliers will be notified in writing by means of an addendum.

This RFP is not an offer to enter into a contract. It is a request by KCBL to receive information.

Submitted Proposals must be unprotected, editable, electronic documents importable into Microsoft Word, and the Proposal file must be clear of any viruses, imbedded documents, or executable links. Proposals to the areas requested must be made directly into the KCBL RFP document under the item requested. All requested information should be completed in the KCBL RFP document (in the sequence and format provided). Any other technical and/or sales and marketing materials provided separately by the Supplier will not be considered as part of the Proposal.

The Proposal must also provide the names, titles, phone numbers and e-mail addresses of those individuals with authority to negotiate and contractually bind the Supplier. KCBL may contact those individuals to obtain clarification of information contained within the Proposal.

The Supplier's Proposal must be submitted with the intent of it being considered the most competitive offer available at the time of submission.

KCBL may award a contract to the insurance company of KCBL's choice, without prior notification to any other company. KCBL reserves the right to accept or reject any or all Proposal(s) in response to this RFP even if all of the stated requirements are met.

This Tender Document includes the following Sections:

- Criteria for Evaluation & participation
- Scope and Plan for Health insurance
- Terms and conditions
- Technical Proposal;
- Preparation of Proposals
- Schedule/timelines for companies.

Proposals must be submitted at the below mentioned address;

Human Resources Department
KCBL, Head office Jutial Gilgit.
Phone: 05811-457523-457972
Email: hr@kcb.com.pk

Part C: Evaluation Criteria

The firms to be determined substantially responsive to the tender and offered bid according to the following criteria, will be considered to award of contract if not contrary to the tender terms and conditions.

S#	Description	Marks
<u>Technical Proposal</u>		Total weightage is 40%
01	PACRA/JCR Rating	10
02	No. of Health Insurance Clients	10
03	Availability of Web Portal/online access for health insurance clients	10
04	24 hours customer nonstop support	10
05	No. of Panel Hospitals throughout Pakistan including Gilgit Baltistan	10
06	Amount of IPD claims paid in last 3 Years	10
07	Amount of Health Premium in last 3 Years	10
08	Company Profile / Last 3 Years Annual Reports	10
09	Medical Emergency facility support	05
10	Pro Rata System / No Deduction on Reimbursement	05
11	Degree of Limitations and Exceptions	10
	Total	100
<u>Financial Proposal (Least cost Method)</u>		60%
1.	Health Insurance	

Eligibility Criteria for Participation

- (i) Firms having minimum 10 years' experience of providing life insurance services in Pakistan to large public/ private sector organizations.
- (ii) Minimum of A+ financial rating on PACRA/ JCR-VIS for insurance.
- (iii) At least serving 02 Financial Institutions preferably Banks for Health Insurance.

Part D: Hospitalization/Health Insurance Benefit Plan

1. The Karakoram Cooperative Bank has its 60 Offices/ Branches all over Gilgit Baltistan. The employees of KCBL have been distributed in 04 different categories.
2. The detail of employees and its dependents in all 04 categories shall be provided on request. The number of lives is subject to increase or decrease.
3. Sealed proposals (separate Technical & Financial) are invited as per KCBL advertisement for Health Insurance of the employees of KCBL.
4. The categorized hospitalization benefit plan of KCBL as under:

Category	Hospitalization Limit	Room Limit	Normal Maternity Limit	C-Section Maternity Limit	OPD*
A	1,500,000	45,000	Nil	Nil	100,000
B	1,200,000	15,000	80,000	150,400	Nil
C	800,000	12,000	80,000	150,400	Nil
D	600,000	7,000	80,000	150,400	Nil

5. Premium Calculation:

The premium calculation shall contain all cost and there should not be any hidden or additional cost to the premium. Since, the selection shall be based on Least Cost Method, hence, the premium must reflect all cost of the premium.

Part E: TERMS & CONDITIONS

1. All the lives insured under the policy shall be given full indoor-patient (IPD) medical coverage (including pre-existing, congenital, special investigation, eye treatment and day care cases) of any physical or mental disease/disorder.
2. In case of injuries to the covered lives insured by the Insurance Company due to Military or Air Force, Police or security forces operations or due to terrorism shall be covered as per assigned limits.
3. The Insurance Company shall not refuse any admission request from panel hospital, where the attending specialist doctor or doctor on duty has in writing intimated that the concerned patient needs to be admitted for treatment. However, in case any KCBL employee insists to get himself or his/her dependent patient admitted (where the admission is not required), the statement of attending specialist doctor only regarding for hospitalization shall be considered for final decision/approval).
4. All kind of treatment for removal of kidney/ gallbladder stones etc. (including lithotripsy) shall be settled. Specialized test like MRI, CT-Scan, etc. shall be covered. For this purpose, admission condition shall not apply.
5. Treatment and diagnostic test for Hepatitis B, C, treatment of Cancer and all kinds of open heart surgeries and related equipment's installation shall be covered.
6. The Insurance Company shall ensure that all kind of approvals to panel hospitals in respect of Insurance coverage shall be given to the person and their dependents shall be given as and when demanded by hospital, well in time, so the admitted patients and their dependents should not suffer due to non-availability of full approval or delayed approvals.
7. All the available limits as per coverage plan shall be printed on Insurance cards for information and record of the employees.
8. The insurance company shall ensure that all kind of objections shall be intimated to concerned KCBL focal person only once. Once live objection is to be replied in the form of documentary evidence of information, it shall be settled without any further objection and delay. **Maximum response period for the focal person & Insurance company is 10 days.**
9. Maximum time for settlement of reimbursement claims shall be 15 days. In case of any unjustified delay on the part of Insurance Company, it will be adjustable against performance guarantee. In case, documentation requirement cannot be submitted by the employee within 2 month of intimation or till the expiry of contract whichever is earlier, the case will be considered as finally closed and will not be reconsidered later on any pretext.
10. There shall be no age restriction for the employees, dependents and parents at inception and for additions.

11. All kind of coverage's & reimbursements shall not be made conditional for settlement of endorsement premium dues.
12. All kind of premium dues shall be settled on quarterly basis. The premium of 2nd quarter shall be paid once the claims of 1st quarter are fully paid, and so on.
13. Insurance coverage to neonatal babies shall be provided as per assigned limits of the employee.
14. In case of non-issuance of insurance card to an existing employee, dependent or parent(s), due to non-provision of employee data required for issuance of health insurance card, the reimbursement shall be made to the concerned employee after the issuance of fresh health insurance card. In this respect intimation shall be forwarded by the concerned focal person regarding the status of employee, dependents and parents. However, the name of the person and or dependents must be available in the updated list forwarded for renewal or in the previous list of the expired policy. Otherwise the company has the right to refuse all claims incurred before coverage.

In this regards, all the concerned KCBL employees has the sole responsibility to get their dependents members insured with Insurance company through concerned focal person.

15. The agreed per person premium will be payable in full irrespective of the time of coverage during the policy. According all kind of claims shall be settled in full as per assigned limits.
16. Any time interval restriction shall not be made in case of same ailment but this will not be allowed for limit enhancement purpose only (The treating specialist doctor statement/ certificate subject to accepted medical practice, shall be the criteria for decision). Employee's decision to change hospital without any reason may not be allowed or approved.
17. The insurance company shall not ask for the reason of availing non panel hospital facilities. Elective non panel utilization without prior approval is allowed. No deductions shall be made in this regards.

A non-panel hospitals/clinic must comprise all necessary medical/ surgical facilities and standards of billing and record keeping constituting a hospital/ clinic and duly registered with local health authority.

A list of black listed hospitals will be shared and updated periodically by the insurance company for information and compliance.

18. The insurance company shall ensure that claim verification shall be done within 15 days after the claim submission.
19. Any type of excess payments if requested in writing by the KCBL shall only be settled. However, the reimbursement shall be made by the KCBL after proper submission of bills and relevant record.
20. No person other than the focal person of the bank will deal and communicate with the insurance company for all matters. KCBL will circulate and inform all employees accordingly.
21. The period of insurance contract shall be initially for 01 years i.e. 01.01.2026 to 31.12.2026, renewal on agreed terms and conditions for next period of 02/05 years.
22. Any type of deduction from reimbursement claims on account of percentage of surgeon fee or any other fee etc. shall not be made (except for black listed hospitals, the list of which will be shared it inception and from time to time).

23. Income tax will be treated as per rules.
26. The IPD health insurance cards shall be provided by the insurance company within 15 working days of insurance of acceptance letter/award of contract, provided final updated list of employees and dependents is received from each branches as well as from area offices and head office. The company will not be responsible for any error/ omissions and the employee list of respective branches, Area offices, head office and resulting delay or refusal of Facilitation at panel. The responsibility of timely coverage of dependents and spouse rests entirely on KCBL.
27. All the Health Insurance Cards (In case of new employees or additions/revision cases would be provided **within 7 days** from the date of submission of information and letter.
28. In case of fake/fraudulent and inflated claim, a formal letter or email would be required from the Insurance Company along with relevant facts/proof. Re-verification and reversal of statements at any later stage will not be acceptable once initial verification has been completed and conveyed to client. The company will also have the right to reject the inflated amount of the claim only and to charge actual verification charges or 10% of the amount fraudulently claimed, from the individual as a penalty. However actual incurred claim shall be liable to be paid by the Insurance Company.
29. All kind of matters not covered above or dispute if any regarding approval for admissions and settlement of claims will be settled mutually and amicably between The Karakuram Cooperative Bank nominated officials and Insurance Company nominated officials.
30. The health insurance services will be hired initially for one year and will be extendable up to further two – five years upon satisfactory services rendered by the company.
31. The Karakuram Cooperative Bank has the right to reject all the tenders with or without assigning any reason, and to re-advertise.
32. The Proposal should be accompanied with performance security @ 5% of the total quoted cost of the premium.
33. Proposals will be opened on the same day as per schedule provided, at the given address by the Expense Approval Committee in presence of the representation of the bidders.
35. Pre-existing condition will be fully covered up to limits for disclosed/ undisclosed.
36. **Incomplete, late, conditional and non-responsive proposals shall not be considered.**
37. **Disqualification**
- Each firm shall submit only one proposal. A firm that submits or participates in more than one proposal shall cause all the proposals with the firm's participation to be disqualified.
 - The firm has an obligation to disclose to KCBL any situation of actual or potential conflict that impacts its capacity to serve KCBL best interests. Failure to disclose such situations may lead to the disqualification of the firm or the termination of its Contract.
38. **Availability of information**
- The information required for preparation of proposal like number of employees in each category, gender, and age brackets etc, shall be provided to those insurance companies who assure their participation in the tender.
 - The above information shall be requested through email or written request, made to Manager HR.

Part F: Preparation & Submission of Proposals

1. Language of proposal

All documents relating to the proposal shall be written in the English language.

2. Documents Comprising the Proposal

The proposal shall consist of the following:

a. Technical proposal consisting of the following;

- Company Introduction.
- GST and Income Tax certificate (tax exempted firms will have to provide tax exemption certificate).
- Portfolio of clients along with contact details of three most recent clients that can be used for reference checks.
- Financial reliability, size, strength and stability of the company (evidence to be provided).
- Detail of insurance company's offices in Pakistan including Gilgit Baltistan.
- Detail of procedure used for the addition/ deletion of insured employee(s).
- Claim procedure and documentation requirement from KCBL.
- Procedure for resolution of dispute between the company and insured person or between the company and the Bank.

b. Financial proposal

Financial Proposal containing separate cost and benefits for each option.

3. Documents to be submitted by the bidders

Following **mandatory documents** are also required to be submitted by the Insurance Company.

1. Two hard copies of Technical and Financial proposals are to be submitted separately in sealed envelope.
2. Last three years audited financial documents.
3. List of panel hospitals throughout Pakistan including Gilgit Baltistan.
4. Copy of Certification of Registration/incorporation
5. Copies of NTN
6. Soft copies of Technical and Financial Proposal in USB Flash drive or DVD.

4. Cost of Bidding

The issuance of this RFP and the receipt of information in response to this RFP shall not in any way cause KCBL to incur any liability or obligation to the insurance company (and /or any proposed Subcontractor(s), if any), financial or otherwise. KCBL assumes no obligation to reimburse or in any way compensate the insurance company for Costs and/or Expenses incurred in connection with the Proposal in response to this RFP. All Costs and Expenses incurred by the insurance company (and/or any proposed Subcontractor(s), if any) pertaining to all activities in the preparation, submission, review, selection and negotiation of the insurance Proposal in response to this RFP shall be borne by the insurance company (and/or any proposed Subcontractor(s), if any) (“Costs and Expenses”).

5. Bid Currencies

All bids must be in PAK Rupees (PKR) currency.

6. Bid Validity

Bids shall remain valid for a period of **Thirty (30) days** after the date of bid opening prescribed by KCBL.

Whenever an extension of bid validity period is requested, the Bank shall have the right to refuse to grant such an extension and withdraw his bid.

7. Selection of more than company

The Bank is authorized to select the company with lowest cost and technically soundness either for all categories, or individual companies for each category. Therefore, the participating companies should ensure that their offered package is the best one for each category and each option.

Part G: **SCHEDULE OF THE PROJECT**

1	Publishing of Request for Proposal Ad	16-12-2025
2.	Last date for submission of Proposal	26.12.2025 (on/before 11:00 PST)
3.	Opening of Technical Proposals	29.12.2025 @ 11:30PST
4.	Opening of Financial Proposals	29.12.2025
5.	Announcement of Evaluation Results	After approval from competent authority
6.	Award of Contract	After approval from competent authority