

ESB RETIRED STAFF ASSOCIATION

ESTABLISHED 1974

NATIONAL EXECUTIVE COMMITTEE

**T. COLLINS
CHAIR**

**M. MACNAMARA
SECRETARY**

**A. McCAFFERTY
TREASURER**

**J. NUGENT
VICE-CHAIR**

Ms. Belinda O'Conaill,
Manager, ESB Medical Provident Fund,
27 Lower Fitzwilliam Street,
Dublin 2

Ebilou,
Loughlinstown,
Celbridge
Co. Kildare

15th October 2015

Dear Belinda,

I wish to follow up on some issues raised at the recent Medical Provident Fund AGM on behalf of ESB Retired Staff Association (ESBRSA).

John Nugent, who represented ESBRSA at the meeting, raised the issue of the level of reserves (€41 million) currently held by the Fund. The current minimum legal requirement for the Fund is a reserve level of €9 million. The original intention behind the Fund carrying reserves in excess of the minimum legal requirement was to set up an "Age Reserve" with a view to protecting Fund members against subscription increases when the age profile of the membership increased in later years and to hold those funds in reserve for the "rainy day".

We believe that the "rainy day" has now arrived and that the excess reserves should now be used to subsidise subscription increases in future years. Many ESB pensioners are finding it difficult to maintain their MPF cover due to the fact that they are on fixed incomes for the past 7 years. They have not received a pension increase in that period and have been hit by many Government imposed charges such as property tax, water charges, USC and the Government Pensions Levy on Pension Funds which the ESB Pension Fund Trustees have decided to recover exclusively from ESB pensioners thus reducing their pensions for their remaining lifetimes.

You indicated at the AGM that you and the MPF Trustees would investigate the practicalities of utilising the reserves in the manner suggested above in an effort to alleviate any further financial pressure on retired members.

The other issue raised at the AGM was in relation to MPF cover for members if they were hospitalised when they were holidaying abroad. This issue was also raised at the AGM in Ennis

last year and our Association's understanding from that meeting was that each case would be taken individually, but if members required hospital treatment abroad that, as a general rule, they would enjoy the same level of cover from MPF as they did when at home in Ireland. There was conflicting information supplied at this years' AGM with regard to cover abroad. I would appreciate clarification on this issue as some members may go abroad for extended periods and would need to know what MPF cover they have.

I look forward to hearing from you at your earliest convenience.

Yours sincerely,

Michael MacNamara,
Hon Secretary,
National Executive,
ESBRS

Copy to all MPF Trustees