

Hqrs. Office
EMPLOYEES' STATE INSURANCE CORPORATION
PANCHDEEP BHAWAN; CIG MARG; NEW DELHI

No. U-13/13/1/2005-Med.I

Dated: 17/01/2006

To,
The All Secretaries,
(Dealing with ESI Scheme) of
All State Govts.

Sub: Amendment in Deed of Agreement agreed between State Govt. and ESIC.

Sir,

The Standing Committee/ESI Corporation in its meeting held on 13/12/05 & 21/12/05 respectively have reviewed the earlier decision and approved the provision of the ratio in which the amount on account of Sickness benefit paid in excess of the all India average is, to be shared between the Corporation and the State Govt. As per the Section 58(2) of ESI Act. In the previous agreement between the State Govt. and ESIC under clause 25 has been mentioned as under: -

As soon as possible after the close of each financial year, the Corporation shall calculate, in respect of each State where the Scheme is in operation, the incidence of sickness benefit in terms of the number of days for which sickness benefit has been payable to insured person qualified to claim such benefit at any time during the financial year, and where the incidence of sickness benefit expressed as the number of days exceeds the all India average similarly calculated, the difference between the amount payable as sickness benefit in the State and that which would have been payable if the incidence had been the same as the all India average, be shared between the State Govt. and the Corporation as follows:-

- 1) Where the incidence of Sickness Benefit does not exceed 4 days per employee per annum, no recovery be made from the State Govt.
- 2) Where the incidence of Sickness Benefit exceeds 4 days per employee per annum, the said excess incidence over the all India average or 4 days whichever is more, be shared between the Corporation and the State Govt. as follows:-

	Corp's share	State Govt.'s share
i) Upto 50% in excess of the all India average or 4 days per employees per annum whichever is more	2/3	1/3
ii) Portion of the excess between 50% and 100% above the all India average or 4days per employee per annum whichever is more	1/3	2/3
iii) Portion above 100% over the All India average or 4days per employee per annum whichever is more	NIL	Full

The excess amount of sickness may be shared on the basis of all India incidence or 4 days whichever is more.

Now the same may be read as under:-

1. Where the incidence of Sickness Benefit does not exceed 3 days per employee per annum, no recovery be made from State Govt.
2. Where the incidence of Sickness Benefit exceeds 3 days per employee per annum, the said excess incidence over the all India average or 3 days whichever is more, be shared between the Corporation and the State Govt. as follows:-

	Corp's share	StateGovt.'s share
i) Upto 50% in excess of the all India average or 3 days per employees per annum whichever is more	2/3	1/3
ii) Portion of the excess between 50% and 100% above the all India average or 3 days per employee per annum whichever is more	1/3	2/3
iii) Portion above 100% over the All India average or 3 days per employee per annum whichever is more	NIL	Full

The excess may be shared on the basis of all India incidence or 3 days whichever is more.

It is therefore requested to make the above corrections in the copy of Deed Agreement available with the State Govt. accordingly and confirmation in this regard may be forwarded to this office for record.

This is in supersession of earlier order/Instruction of even No. dt.22/3/05.

Yours faithfully,

(Dr. S.K. JAIN)

DY. MEDICAL COMMISSIONER

Copy To:

1. All Directors/AMO of ESI Scheme.
2. All Regional Directors/SSMCs/SMCs with the request to persue the matter with the State Govt. in this regard.
3. All MS/Director of ESIC Hospitals/D(M)D/Director FW for information.
4. DA Medical Br.I dealing with Dead Agreement for incorporation in the Deed Agreement & filing the above copy in the file of Dead Agreement of the State.
5. All Branches in Hqrs. Office for information.
6. HINDI cell for translation.
7. Guard File/ Insurance Branch.II w.r.t. U.O. Note No-R.18/15/2004-Beft.II dated:13/01/06.

DY. MEDICAL COMMISSIONER