

SUMMARY OF PRESENT INITIATIVES IN WORKING OF ESIC

The Employees' State Insurance Scheme provides need based social security benefits to insured workers in the organized sector. ESIC has taken up the daunting task of tailoring different benefit schemes for the needs of different worker groups. The scheme, which was first introduced at two centers in 1952 with an initial coverage of 1.20 lakh workers, today covers 1.55 crore workers in about 790 centers in the country. It benefits about 6.02 crore beneficiaries including the family workers of the insured persons, across the country. The scheme is being gradually to cover new centers and steps are being taken for creation of requisite infrastructure for providing medical care to a larger number of insured persons and their families. While the cash benefits under the scheme are administered through a network of about 799 Branch offices and pay offices, medical care is provided through 150 ESI Hospitals, 42 ESI Annexes, 1403/93 ESI Dispensaries / ISM Units and 1447 Clinics of Insurance Medical Practitioners. The total number of medical officers under the Scheme is about 6536.

There have been a number of developments in the ESIS during the past three years. Each year, it is extended to new areas to cover additional employees. The new employees covered in 2009-10, 2010-11 and 2011-12 are 1.23 lakh, 1.14 lakhs and 1.58 lakh respectively. Low paid workers in receipt of daily wages up to Rs. 100/- have been exempted from payment of their share of contribution. Earlier this limit was Rs. 70/- . This measure has benefited about eight lakh insured workers across the country. In order to provide relief to insured persons suffering from chronic and long term diseases, the list of diseases for which Sickness Benefit is available for an extended period up to two years at an enhanced rate of 70% of daily wages, was enlarged by adding four new diseases, keeping in view the international classification of disease profiles and the quantum of malignancies of some diseases which had come to light over the last few years.

In order to improve the standard of medical care in the States, the amount reimbursable to the State Governments for running the medical care scheme has been increased from Rs.1200/- to Rs. 1500/- Per IP family unit per annum w.e.f. 01.04.2012. The ESIC has formulated action plans for improving medical services under the ESI Scheme with focus on modernization of hospitals by upgrading their emergency and diagnostic facilities, development of departments as per disease profiles, waste management, provision of intensive care services, revamping of grievance handling services, continuing education programme, computerization and up-gradation of laboratories etc. The ESIC has also taken new initiatives to promote and popularize AYUSH systems of treatment in ESIC Hospitals and Dispensaries in a phased manner.

ESIC IT Project Panchdeep, one of the largest e-governance projects is under implementation at present. All ESI Institutions are being networked under this project for enabling IPs and their family members to avail ESI benefits anywhere anytime two smart cards christened as "Pehchan Cards", one for insured person and other for the family are being issued. Also, the ESI Act, 1948 has been amended w.e.f. 01.06.2010 for enhancing the Social Security coverage, streamlining the procedure for assessment of dues and for better services to the beneficiaries.

Achievements of the ESI Corporation and Improvements made in last three years

COVERAGE

- The wage ceiling for coverage of employees under the Act has been enhanced from Rs. 10,000/- to Rs. 15,000 w.e.f. 1.05.2010.
- The Scheme was extended to 68 geographical areas during the year 2010-11 as against 46 new geographical areas during the year 2008-09.
- Number of insured persons covered under the ESI Scheme reached 1.55 crores in 2010-11.
- Number of beneficiaries covered under the scheme has gone up from 5.03 crores in 2008-09 to 6.02 crores in 2010-11.
- Number of factories/establishments covered under the ESI Act increased to 4.43 lakhs in the year 2010-11 as against 3.9 lakhs in 2008-09.
- Revenue income increased to Rs. 6,980.61 crores in the year 2010-11.
- The ESI Scheme has been extended to Medical and Educational Institutions in most of the States.
- Also coverage of workers engaged in Cine & T.V. serial Production Houses/Studios and Sets.

MEDICAL CARE SERVICES

- Medical Benefit Expenditure increased from Rs. 1123.22 crores in 2008-09 to Rs. 2,123.67 crores in 2010-11.
- The ceiling on reimbursement to the State has been revised from Rs. 1200/- to Rs. 1500/- per IP family unit per annum w.e.f. 1.04.2012.
- About 2.00 crores of outpatients were treated in the ESI Hospitals during the year 2010-11.
- About 7000 medical professionals and 35000 para medical and other staff are working in medical institutions under the ESI Scheme.
- Total No. of admissions in Hospitals during 2010-11 was 4.05 lakhs. Cases referred for specialized investigations were 20.70 lakhs and total no. of Home Visits were 52,943 in 2010-11.
- MODEL HOSPITAL SCHEME:- ESI Corporation has taken a decision to set up one hospital in each State as Model Hospital. ESIC has set up Model Hospital in 18 States so far. These hospitals are being upgraded as per norms and standards laid down by ESI Corporation. The expenditure on Model Hospitals is fully borne by ESI Corporation.
- STARTING OF MEDICAL EDUCATION INSTITUTIONS:- ESIC decided to enter the field of Medical Education recently and 29 such Institutions have been envisaged which include medical colleges, nursing colleges, dental colleges, post graduate institutions and training school etc. ESIC has already started one Post Graduate Institute of Medical Sciences & Research at Bangalore and one Dental College at Rohini, Delhi.

A letter of intent to start PG course at Delhi from the session 2011-12 has been received from Govt. of India.

- PROVISION OF PRIMARY AND SECONDARY CARE SERVICES BY ESIC DIRECTLY:- ESI Corporation has decided to provide primary and secondary medical care services directly in the areas where the concentration of IPs is more than 5000 and there is no dispensary within 8 kms (5 kms in hilly areas) and where concentration of IPs is 25000 (15000 in hilly areas) and there is no hospital within 25 kms. This facility will be available till the state govt./ESI Scheme establishes its own hospital and dispensary.
- PROVISION OF SUPERSPECIALTY SERVICES:- Patients can avail super specialty treatment from any of the networked / tie up hospital of ESIC (more than 700 in no.) as per his choice anywhere in the country. The total expenditure on such tie-ups is borne by the ESIC. Major treatments such as kidney and liver transplant, heart treatment, cochlear implant and joint replacements have been included under the ESI Scheme. The Corporation spent about 330.93 crores on super speciality treatment of the Insured Persons and their family members, last year.
- GRADING AND ISO CERTIFICATION OF ESI HOSPITALS AND DISPENSARIES:- ESI Corporation is getting its hospitals and dispensaries graded by reputed organizations. ISO Certification has already been obtained for Hqrs Office, 18 ESIC Hospitals and 13 ROs/SROs. Further action has been initiated for getting ISO certification in respect of other hospitals and dispensaries. Gradation of ESIC run hospitals have also been done through outside agencies ie. ICRA and Ma foi Consulting.
- ZONAL SUPER SPECIALITY HOSPITALS:- Four Super specialty hospitals to be set up in four zones. In the first phase, super specialty hospital has been commissioned at Sanath Nagar, Hyderabad for South Zone.
- HOSPITAL DEVELOPMENT COMMITTEES:- Hospital Development Committees have been constituted in all ESI Hospitals and have been given adequate administrative and financial powers for taking decisions for improving medical care facilities of each ESI Hospital.
- In the last 3 years around 1500 Medical Professionals and around 800 para-medical staff were recruited by the Corporation.
- MODERNIZATION AND UPGRADATION OF MEDICAL INFRASTRUCTURE
 - It has been decided by the Corporation to modernize/upgrade/expand all ESI hospitals in a phased manner and to make them state-of-the-art hospitals.
 - Sophisticated equipments, i.e., MRI and CT Scan have already been installed in ESIC hospitals at Bangalore, Mumbai and Delhi.
 - 118 major projects of construction/modernization of the ESIC Hospitals and other offices are under progress.

CASH BENEFITS

- Corporation disbursed Rs. 494.10 crores as benefits in cash in the year 2010-11 as against Rs. 426.93 crores in the year 2009-10.
- The number of Cash Benefit payments has gone up to 31.78 lakhs during the year 2010-11.

- Once in a year life certificate and no need for submitting claim for PDB/DB beneficiaries has been introduced.
- Daily rate of Sickness Benefit has been enhanced from about 50% to 60% of average daily wage. The daily rate of permanent disablement benefit and dependants benefit was enhanced from about 70% of wages to about 75% of wages. These daily rates are enhanced from time to time to protect the value of these benefits against rise in the cost of living index.
- The confinement expense payable to insured women and wives of insured persons was enhanced by 150% from Rs. 1000/- to Rs. 2500/- per confinement.
- Rajiv Gandhi Shramik Kalyan Yojana (Unemployment Allowance): Number of claims admitted in the year 2012 was 520. The expenditure on this scheme was Rs. 84,64,568/- in the current year. Eligibility conditions for availing the Unemployment Allowance has been relaxed from 5 years to 3 years. The duration of benefit has been enhanced from 6 months to 12 months. A skill up gradation scheme has also been introduced for the IPs who are in receipt of unemployment allowance and choose to undergo Vocational Training in Centres run by Government to upgrade their skills.
- Scheme for permanently disabled insured persons:- Permanently disabled persons working in factories and establishments covered under the ESI Act and drawing wages upto Rs. 25,000/- per month have been brought under the scheme w.e.f.1-4-2008. In order to encourage employment of disabled persons, the employers' share of contribution in respect of such disabled employees will be paid by the Central Government for initial three years.
- Improving work environment and facilities for Insured Persons visiting ESIC Offices: Infrastructure facilities in all the offices of ESIC are being upgraded to provide proper work environment so that the efficiency level of workers may increase. 71 ESIC Branch Offices in all over India have been provided with all the amenities.
- Customer friendly administrative procedures: In an endeavor to reach out to the beneficiaries and make the system more customer friendly, long-term benefits such as Permanent Disablement and Dependants Benefits are being credited to the bank account of the beneficiaries through ECS system.
- Minimum Dependant Benefit raised to Rs. 1200/- pm/per family unit w.e.f. 01.03.2012.
- Payment of Conveyance Allowance to Insured Person @ Rs. 100/- per visit for submission of Life Certificate in PDB cases,

COMPUTERIZATION

- ESIC's IT Project 'Panchdeep', one of the largest e-governance project, is under implementation.
- All ESI Institutions are being networked under this Project.
- Two smart cards christened as "Pehchan" cards, one for Insured Person and other for the family are being issued. This would enable Insured Persons and their family members to avail medical benefit from anywhere anytime, even if living at separate locations.
- Online submission of challans, payment of contribution.

- Bio-metric details of more than 74 lakhs Insured Persons have already been captured to generate these smart cards.
- An awareness campaign has been launched to inform, educate & communicate about Project Panchdeep to the stakeholders.
- Availability of medical history of patients, MIS etc.

ENACTMENT

The ESI Act, 1948, has been amended vide ESI (Amendment Act, 2010 w.e.f. 1-6-2010 for enhancing the Social Security coverage, streamlining the procedure for assessment of dues and for better services to the beneficiaries. The salient features of the Amendments in the Act are as under:-

- A uniform threshold of 10 or more persons for coverage of factories has been prescribed vide ESI(Amendment) Act, 2010, and for counting 10 persons for initial coverage of a factory, all persons employed irrespective of their wage are to be counted.
- Enhancing age limit of dependant children for eligibility to dependants benefit from 18 years to 25 years;
- Extending medical benefit to dependant minor brother/sister in case of IPs not having own family and whose parents are also not alive;
- Continuing medical benefit to insured persons retiring under VRS scheme or taking premature retirement;
- Treating commuting accidents as employment injury;
- Making an enabling provision for extending medical care to other beneficiaries against payment of user charges to facilitate providing of medical care from under-utilized ESI Hospitals to the BPL families covered under the Rashtriya Swasthaya Bima Yojana and other schemes framed by Central Government.
- Empowering State governments to set up autonomous Corporations for administering medical benefit in the States for bringing autonomy and efficiency in the working.

SCHEME AT A GLANCE AS ON 31-03-2012

| | | |
|--|--------------------------|--------------------|
| States/UTs | | 29 |
| Centres | | 790 |
| Employees | | 1.54 Crores |
| Insured Persons | | 1.55 Crores |
| Insured Women | | 24.88 Lakhs |
| Beneficiaries | | 6.02 Crores |
| Employers | | 4.43 lakh |
| Regional Offices/Sub-Regional Offices | | 23/28 |
| Divisional Offices | | 6 |
| Branch Offices/Pay Offices | | 619/180 |
| Inspection Offices | | 374 |
| ESI Hospitals | (i) Run by ESIC | 33 |
| | (ii) State Govts. | 117 |
| | Total | 150 |
| | (iii) Annexes | 42 |
| Tie Up Hospitals | | 800+ |
| ESI Dispensaries | (i) ESIC | 36 |
| | (ii) State Govts. | 1367 |
| | Total | 1403 |
| | ISM Units | 93 |

COVERAGE

| Year | Employees | IPs | Beneficiaries | Employers |
|--------------------|------------------|-------------|----------------------|------------------|
| 2009-10 | 1.39 crores | 1.43crores | 5.55 crores | 4.06 lakhs |
| 2010-11 | 1.54 crores | 1.55crores | 6.02 crores | 4.43 lakhs |
| 2011-12(projected) | 1.56 crores | 1.57 crores | 6.09 crores | 4.78 lakhs |

INCOME & EXPENDITURE

| Year | Income (Rs.in crores) | Expenditure on (Rs. in crores) | | |
|---------|------------------------|--------------------------------|-----------------|-------------------------|
| | Contribution Income | Cash Benefits | Medical Benefit | Administrative Expenses |
| 2009-10 | 3896.00 | 426.93 | 1626.93 | 504.36 |
| 2010-11 | 5748.77 | 496.56 | 2123.67 | 524.20 |
| 2011-12 | 6436.44 | 621.00 (RE) | 3008.00(RE) | 724.00(RE) |

REVENUE RECOVERY

| Year | Revenue Recovery (Rs. in crores) |
|---------|----------------------------------|
| 2009-10 | 121.98 |
| 2010-11 | 115.61 |
| 2011-12 | 132.26 |

NEW IMPLEMENTATION

| Year | Target | | Achievement | |
|---------|--------------|-----------------------------|--------------|------------------|
| | <u>Areas</u> | <u>Employees (in lakhs)</u> | <u>Areas</u> | <u>Employees</u> |
| 2009-10 | 98 | 2.51 | 53 | 1.23 lakh |
| 2010-11 | 80 | 1.92 | 68 | 1.14 lakh |
| 2011-12 | 74 | 1.64 | 60 | 1.58 lakh |
