



**Headquarters**  
**Employees' State Insurance Corporation**  
(ISO 9001-2008 certified)  
Panchdeep Bhawan, CIG Road, New Delhi-110002



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**Press Release**

- (i) Reduction in rate of ESI Contribution**
- (ii) Proposal for increasing the income limit for dependency of the dependent parents of an Insured Person for availing Medical Benefit.**
- (iii) ESIC to bear full cost of ESI Scheme in the prescribed ceiling of per IP expenditure**
- (iv) Setting up of 500 bedded ESIC Model Hospital at Sheelanagar, Visakhapatnam**
- (v) Up-gradation of ESI Dispensary into 30 bedded ESI Hospital**
- (vi) Sub-Committee formed to decide the quantum of enhancements of PDB/DB Rates**
- (vii) Starting of DOTT and DMRT Courses**

The ESI Corporation during its 177<sup>th</sup> meeting held on 19.02.2019 under the Chairmanship of Shri Santosh Kumar Gangwar, Hon'ble Minister of State for Labour & Employment (Independent Charge), Govt. of India has taken some very important decisions towards improvements in its service delivery mechanism.

The other dignitaries participating in the meeting were Shri Heera Lal Samaria, IAS, Secretary, Labour & Employment, Govt. of India, Shri Raj Kumar, IAS, Director General, ESIC, Smt. Anuradha Prasad, Addl. Secretary, Labour & Employment, Govt. of India, Smt. Sibani Swain, AS & FA, Labour & Employment, Govt. of India and Ms. Sandhya Shukla, IA&AS, Financial Commissioner, ESIC, Representatives of Employees and Employers and Hon'ble ESI Corporation Members, representatives of State Govts. and ESIC.

The following important decisions were taken during the meeting:

**(i) Reduction in rate of ESI Contribution**

In the meeting, it was informed that Govt. has approved the reduction in the rate of contribution being paid by employers and employees from 4.75% to 4% and 1.75% to 1% respectively of the wages, and a draft notification intending to reduce the rate of contribution has been issued by Govt. of India on 15.02.2019. Reduction in contribution will benefit all the employees and employers covered under ESI Scheme.

**(ii) Proposal for increasing the income limit for dependency of the dependent parents of an Insured Person for availing Medical Benefit.**

The Income limit for availing medical benefit for the dependent parents of an Insured Person covered under ESI Scheme has been enhanced from the existing Rs.5000/- per month from all sources to Rs.9000/- per month.

**(iii) ESIC to bear full cost of ESI Scheme in the prescribed ceiling of per IP expenditure**

In order to improve the medical service delivery in the states, It was decided that ESIC will also bear the 1/8<sup>th</sup> share of expenditure earlier used to be borne by States. Till now, ESIC used to bear 7/8<sup>th</sup>

share of expenses of ESI Scheme. With this decision, ESIC will bear the full cost of ESI Scheme in the prescribed ceiling of per IP expenditure for a period of three years beginning from 2019-20.

**(iv) Setting up of 500 bedded ESIC Model Hospital at Sheelanagar, Visakhapatnam**

ESIC will acquire an additional land of 10.56 acres abutting already allotted land of 8.58 acre at Sheelanagar, Visakhapatnam. On this land, 500 bedded ESIC Model Hospital with Super Specialties will be constructed.

**(v) Up-gradation of ESI Dispensary into 30 bedded ESI Hospital**

To bridge the gap in indoor health care facilities, in principle approval to Report of Sub-Committee on reconsideration of policy for up-gradation of ESI Dispensary into 30 bedded ESI Hospital was accorded. Now, the 30 bedded ESI Hospitals will be established on 20000 IPs population in plain area and 15000 IPs population in hilly areas. Earlier, ESIC was setting up hospitals only in such areas where minimum IPs population is 50000. This decision will provide indoor facilities to IPs/beneficiaries in several under-served implemented areas under ESI Scheme.

**(vi) Sub-Committee formed to decide the quantum of enhancements of PDB/DB rates**

ESIC has been periodically enhancing the basic rates of the PDB and DB payments to counter the effect of inflation. To compensate for inflation, a Sub-Committee of ESIC has been formed to decide on the methodology and quantum of enhancement of the PDB/DB rates.

**(vii) Starting of DOTT and DMRT Courses**

It was also decided in the meeting that ESIC will start paramedical courses of Diploma in OT Technology (DOTT) and Diploma in Medical Records Technology (DMRT) at its Hospital & College complex, Gulbarga. In line with Skill India Mission, these courses will help in bridging the gap in the availability of trained paramedical manpower.

Besides above, around 40 other agenda items pertaining to improvement in services/benefits to Insured Persons and their beneficiaries and other administrative matters were deliberated upon and approved during the meeting.

**ESI Scheme in India**

The Employees' State Insurance Corporation is a pioneer Social Security organization providing comprehensive social security benefits like reasonable Medical Care and a range of Cash Benefits in times of need such as employment injury, sickness, death etc. The ESI Act applies to premises/precincts where 10 or more persons are employed. The employees drawing wages up to Rs.21,000/- a month are entitled to health insurance cover and other benefits, under the ESI Act. The Act now applies to over 10.33 lakh factories and establishments across the country, benefiting about 3.43 crores family units of workers. As of now, the total beneficiary population of ESI Scheme stands over 13.32 crores. Ever since its inception in 1952, the ESI Corporation has, so far, set up 154 Hospitals, 1489/174 Dispensaries / ISM Units, 815 Branch/Pay Offices and 63 Regional & Sub-Regional Offices.

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