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**Employees' State Insurance Corporation**  
(ISO 9001-2008 certified)  
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**Press Release**

**ESIC will take due care to protect the interest of the students undergoing the courses in its Medical Colleges – says Sh. Bandaru Dattatreya**

The Honourable Minister of State, Labour and Employment(IC) Sh. Bandaru Dattatreya has assured students and faculty of Employees' State Insurance Corporation (ESIC) medical colleges that the Corporation will take due care of their medical education and interests.

The Hon'ble Minister gave a patient hearing to the students and faculty of ESIC medical colleges of Kolkata, Chennai, Karnataka and Delhi who met him in Chennai and Delhi to express their anxiety about their future in the light of the ESIC decision to exit the field of Medical Education. Shri Dattatraya also asked the parents not to be worried about the future of their children's medical education.

The Minister's assurance is being given after the matter was reviewed with the Director General, ESIC. In the review, it was felt that the Students /Faculty may take up any residual issues, if any, with Dean of the medical college concerned or the Director General, ESIC.

**Interest of the Students undergoing the Courses**

The Hon'ble Minister said that if the State Governments were willing to take over the Medical College, the medical course will continue as before. If the State Government is not willing to take over the Medical College, the ESIC would continue to run the course until all the admitted students pass out; or, they are adjusted in other medical colleges as per the essentiality certificate issued by the State Government concerned.

In respect of projects where the State Governments are not willing to take over, the infrastructure created for the medical college would be utilized for setting up 'Centers of Excellence' for

- i. Expansion and upgradation of secondary care services
- ii. For providing super-speciality' services, 'in-house' or through PPP mode.

The scope of such activity, i.e. expansion of secondary and setting up of super-speciality services, would be in a phased manner.

Hon'ble Minister also asked the students for their suggestions in this regard.

### **Interest of Faculty and Staff**

Similarly, the interest of faculty are also taken care of. Wherever, the colleges are taken over by the States, the faculty recruited by ESIC would be given option for deputation with the State Government till retirement without in any way adversely affecting service conditions as applicable to similarly placed functionaries at ESIC institutions. ESIC would explore the possibility of their return / redeployment, wherever feasible.

Also, in cases where State Governments are not willing to take over medical colleges, regular teaching faculty recruited by ESIC would be given option, wherever feasible, for utilizing their services in the ESIC in a non-teaching role, without adversely affecting their service conditions.

The ESI Corporation (ESIC) took up medical education projects with the intention to have dedicated access to medical manpower with a view to improve the quality of medical services. ESIC took up construction of 12 Medical Colleges from the year 2009 onwards.

However in view of the objective of the ESI Act, which is to provide cash benefits to covered employees (known as Insured Persons) in case of sickness, maternity and employment injury and to provide medical benefits to the Insured Persons (IPs) and their dependants; it was felt that the focus of all activities of the ESIC should be Insured Persons and the medical education is not the core function of the ESIC.

The employers and employees covered under the Act are required to pay contributions to the Corporation which is the source of fund for services provided under ESI Scheme.

Accordingly the 163<sup>rd</sup> meeting of the Corporation held on 04.12.2014 took, inter-alia, the following decisions:-

1. The focus of the ESI activities should be on providing primary, secondary and super speciality medical care to IPs.

2. ESI Corporation should exit the field of medical education entirely as it is not the core function of the ESIC.
3. Hand over the ongoing medical colleges and other Medical Education Institutions having separate infrastructure to the State Governments willing for such transfer, as per the approved Terms & Conditions.
4. ESIC may neither undertake further admissions in the medical colleges and other Medical Education Institutions nor start new medical colleges.
5. All ongoing Medical Education programs may continue till the admitted students pass out or are adjusted as per provisions of the Essentiality Certificate issued by the State Government, whichever is earlier.

Simple and fairly liberal terms and conditions for transfer were also approved by the ESIC in the said Meeting. It inter-alia included that the ESIC would bear the capital cost already incurred on construction.

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