

AN OVERVIEW OF THE BENEFITS PROVIDED UNDER EMPLOYEES STATE INSURANCE (ESI) SCHEME IN NORTH EASTERN REGION

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ABSTRACT

The Employees' State Insurance Scheme (ESIS) is one of the existing health insurance schemes in India in providing social security for the workers working in different organized sectors, such as, factories and establishments. The ESI Scheme is executed and administered through Employees State Insurance Corporation (ESIC). One of the most important objectives of the scheme is also to provide loss of wages to the insured persons (IPs) during his/her incapacity period. The cash benefits represents periodical payments in cash to a registered member in case of sickness, maternity benefit to insured women, confinement, premature birth of child, disablement benefit or employment injury benefits for suffering from disablement as a result of an employment injury and dependents' benefit if an insured person dies as a result of an employment injury or occupational disease. The cash benefits are disbursed to the insured persons through the Branch Offices (BO) of the Employees State Insurance Corporation (ESIC). Hence the paper explores about the ESI benefits and through light about the cash benefits disburse under ESI Scheme in the North Eastern Region during the year from 2015 to 2018. The paper is purely based on secondary data collected from the Regional Office of ESIC, Guwahati.

Key Words: Health Insurance, Insured Persons, Cash Benefits, Disburse, Payments.

1. INTRODUCTION:

The insurance premium capacities of India's population are very low, especially of that middle and low - income groups. In India the available health insurance for providing social security are Social health Insurance (SHI), Voluntary Private Health Insurance and Community-Based Health Insurance (CBHI). Among these the existing mandatory health insurance scheme in India for Organized Sector is – Employees' State Insurance Scheme (ESIS) and Central Government Health Scheme (CGHS). The Employees' State Insurance (ESI) Scheme is more relevant and considerable because this was the first social insurance measures introduced for social security in India way back in the 1950s and is executed and administered through Employees State Insurance Corporation (ESIC).

The Employees State Insurance (ESI) Scheme in the North Eastern States was implemented as far back as in 28/09/1958, under the Regional Office, West Bengal. It was in the early 70s that an independent Region was created for North East Region, with its Regional Office at Guwahati. The objective of the Scheme is to provide medical care to the Insured Persons (IPs), i.e. the

employee/worker and his or her dependent. Further, the scheme also provides loss of wages of the IPs during his/her incapacity period. The cash benefits are disbursed to the IPs through the Branch Offices of the Employees State Insurance Corporation (ESIC). As of now, in the entire North Eastern Region there are 22 numbers of branch offices.

2. THE OBJECTIVES:

The objective of this paper are-

- ✚ To explore about the ESI benefits provided and more specifically about the cash benefits.
- ✚ To study about the cash benefits disburse under ESI Scheme in the North Eastern Region.

3. METHODOLOGY:

The study is primarily a descriptive and analytical and purely based on secondary data. Secondary data are collected from the regional office of ESIC, Guwahati, library work, visiting dispensaries, collecting information from internet sources, consulting persons of related matters etc. The study is primarily undertaken on the functioning of ESI Scheme in providing benefits in North Eastern Region.

4. DISCUSSION & ANALYSIS:

4.1. THE EMPLOYEES' STATE INSURANCE (ESI) BENEFITS:

The ESI Corporation provides benefits to the insured persons and their dependents under the ESI Scheme in three main categories¹-

a] Medical Benefits: The ESI Corporation provides full range of medical care to insured persons and family members through a network of ESI dispensaries, hospitals and panel clinics set up all over the country.

b] Cash Benefits: This benefit represents periodical payments in cash to a registered member in case of Sickness, Maternity benefit to insured women in case of pregnancy, confinement, premature birth of child, Disablement Benefit or Employment Injury Benefits for suffering from disablement as a result of an employment injury and Dependents' Benefit if an insured person dies as a result of an employment injury or occupational disease

c] Other Benefits: Other benefits include the Funeral Expenses on death of insured person, Rehabilitation allowance, Vocational Rehabilitation, Medical Bonus, Un-employment Allowance and free supply of aids and appliances etc. which are provided both in cash and kinds.

¹ The Employees' State Insurance (Amendment) Act, 2010 (18 of 2010).

4.2. DETAILS CASH BENEFITS:

Cash benefits are paid as compensation for loss of wages during certified incapacity period, viz. Sickness Benefit, Extended Sickness Benefit, Temporary Disablement Benefit, Permanent Disablement Benefit, Dependent Benefit, Maternity Benefit and Funeral Expenses.

A brief note on the benefits it as follows –

(A) Sickness Benefit (SB):

Sickness Benefit in the form of cash compensation payable to insured workers during the periods of certified sickness for a maximum of 91 days in a year. In order to qualify for sickness benefit the insured workers is required to contribute for 78 days in a contribution period of 6 months.

- i) Extended Sickness Benefit: Sickness Benefits are extendable up to two years in the case of 34 malignant and long-term diseases at an enhanced rate of 80 percent of wages.
- ii) Enhanced Sickness Benefit: This benefit is equal to full wage is payable to insured persons undergoing sterilization for 7 days/ 14 days for male and female workers respectively.

(B) Disablement Benefit (SB):

- i) Temporary Disablement Benefit (TDB): From day one of entering insurable employment and irrespective of having paid any contribution in case of employment injury. Temporary Disablement Benefit at the rate of 90 percent of wage is payable so long as disability continues.
- ii) Permanent Disablement Benefit (PDB): The benefit is paid at the rate of 90 percent of wage in the form of monthly payment depending upon the extent of loss of earning capacity as certified by a Medical Board.

(C) Dependents' Benefit (DB): Dependents' Benefit paid in the form of monthly payment to the dependants of a deceased Insured Person in cases where death occurs due to employment injury or occupational hazards.

(D) Maternity Benefit (MB): Paid for loss of wages due to confinement / pregnancy.

4.3 DISBURSMENT OF CASH BENEFITS:

The ESI Scheme operational in North Eastern region is providing the cash benefits to its beneficiaries (Insured Persons) and also to its dependent family members on different grounds as from time to time. The following data represented in a tabular form shows the importance of the cash benefits disbursed in the last three year period from 2015 – 2018 in the North Eastern region-

TABLE 1: TOTAL CASH BENEFITS DISBURSED

TYPES OF BENEFIT		2015-2016	2016-2017	2017-2018	TOTAL
SICKNESS BENEFIT	No. Of Cases	4566	4448	4807	13821
	Amount	12259146	14318457	16628495	43206098

EXTENDED SICKNESS BENEFIT	No. Of Cases	383	334	258	975
	Amount	3126236	2628255	2681462	8435953
MATERNITY BENEFIT	No. Of Cases	271	363	257	891
	Amount	4376272	6352623	7320641	18049536
TEMPORARY DISABLEMENT BENEFIT	No. Of Cases	308	244	223	775
	Amount	1912016	1931932	1807668	5651616
PERMANANT DISABLEMENT BENEFIT	No. Of Cases	4279	4503	4649	13431
	Amount	4795848	4549509	5284376	14629733
DEPENDENT BENEFIT	No. Of Cases	4647	4655	4905	14207
	Amount	8738918	8419589	9590007	26748514
FUNERAL ALLOWANCES	No. Of Cases	137	136	140	413
	Amount	1370000	1359445	1400000	4129445
UNEMPLOYMENT ALLOWANCE	No. Of Cases	NIL	NIL	NIL	NIL
	Amount	NIL	NIL	NIL	NIL

Source: Regional Office, ESIC, Guwahati

The total number of cases of Sickness Benefits during the last three years (2015- 2018) was 13821 numbers and the amount disbursed to this number was Rs 43,20,6,098. The insured persons had also availed the facilities of Extended Sickness Benefits and the amount disbursed for Extended Sickness Benefits was Rs 84, 35,953 for a total of 975 numbers of persons during the last three years. Further a widely availed benefits by the beneficiaries are under the ESI Scheme is the Maternity Benefits. The amount disbursed for maternity benefits during the last three years (2015-2018) was Rs 18,04,9,536 for a total number of 891 insured women. Again the number of cases registered under Temporary Disablement Benefit was 775 for the given years the cash disbursed for it stands to Rs 56, 51,616 for the last three years. Moreover the number of cases for Permanant Disablement Benefit increased from 4279 in 2015-2016 to 4649 in 2017-2018, a total of 13431 cases in the last three years and the amount disbursed during this period was Rs 14,62,9,733. There was also a rise in Dependents Benefits and the total number of cases during this period stands for 14207 numbers and the amount spent for them was Rs 26,74,8,514. Moreover, Funeral Allowances were also given to a total of 413 numbers of cases and the amount disbursed for it

was Rs 41, 29,445 for the last three years (2015- 2018). However, no unemployment allowances were disbursed during the given period.

5. CONCLUSION:

There is no doubt that the health insurance scheme likes ESI is an essential requirement for a developing country like India where most of the people consist of middle and low-income groups. Therefore, the timely payment/disbursement of cash benefits, reimbursement facilities and also a timely hike in the amount of cash benefits will surely improve the quality of health service delivery. Well equipped cash disbursement machinery will also results in improving the ability of the working man to support himself and his dependents in health and decency in life. However, any effort to improve services requires appreciation and acknowledgement from all corners of the stake holders.

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