

EMPLOYERS' GUIDE TO ESI SCHEME

Preface

For a country to grow and develop, there should be sustainable and balanced growth of agricultural and industrial sectors. Thus, industrial sector play a major role in improving the wealth of a country. In order that industries focus on their core areas, i.e., optimum utilisation of the available resources and improving the productivity of the factors of production, without worrying about protecting the workforce from the physical and financial distress arising out of sickness, maternity, employment injury, etc, the ESI Scheme was devised.

The employers play a major role in the functioning of the Scheme, through registration of it's employees, remittance of contribution and through compliance with the provisions of the Act. This guide is meant to be a reference booklet for the covered and coverable employers, whose role is pivotal for the success of the Scheme.

ABOUT THE ESI SCHEME

1. What is ESI Scheme ?

The ESI Scheme is a comprehensive social security scheme devised to protect the employees covered under the Scheme against financial distress arising out of events of sickness, maternity, disablement / death due to employment injuries and to provide medical care to the employees and their families. The Scheme is based on the principle of 'pooling of risks and resources', wherein that section of the population which is exposed to risks of the same nature, come together to mitigate the physical and financial distress arising out of such risks.

2. To whom is the Scheme applicable to ?

The Scheme is applicable to only those areas where the Scheme is extended / made applicable by the State Government by notification. The Scheme applies to all factories, shops and establishments located in the implemented areas, where **ten or more persons** are employed. Thus, the Scheme is applicable to all factories, shops, hotels, restaurants, cinema theatres, offices, medical institutions, educational institutions, etc. subject that:

- i) The employer is located in an area to which the Scheme is extended to by the State Government, and
- ii) Ten or more persons are employed

The Scheme is NOT applicable to :

- a) Seasonal factories exclusively engaged in one or more of the following manufacturing processes, viz., cotton ginning, cotton or jute pressing, decortication of ground-nuts, the manufacture of coffee, indigo, lac, rubber, sugar (including gur) or tea or any manufacturing process which is incidental to or connected with any of the aforesaid processes
- b) Mines, subject to the operation of the Mines Act.

3. Which of the employees are eligible to avail benefits under the Scheme/

All employees of a covered unit, whose monthly remuneration (excluding overtime) does not exceed Rs.15,000/- per month, are eligible to avail benefits under the Scheme.

4. Who is responsible for the administration of the Scheme ?

The Scheme is administered by the Employees State Insurance Corporation, set up under the ESI Act, 1948. The Corporation (similar to Board of Governors) the comprises of representatives of the employers, employees, the Central Government, State Governments, eminent medical professionals and that of the Parliament. Besides the Corporation, there is a Medical Benefit Council which

advises the Corporation on matters related to the extension of medical care to the beneficiaries of the Scheme.

The Director-General is the Chief Executive of the Corporation is the ex-officio member of the Corporation. At the state level, Regional boards have been constituted and at the grass-root level, Local Committees have been constituted for the smooth functioning of the Scheme. The Regional Boards and Local Committees comprise of representatives of employers and employees of the respective jurisdiction, so as to cater to the local and varied needs of the employers / employees.

The Corporation has its headquarters at New Delhi, besides regional offices / sub regional offices in the states and over 800 local offices throughout the country. While the administration of the Scheme, including coverage, collection of contribution, disbursement of cash benefits, etc. are under the Corporation, the extension of medical care is administered by the respective State Governments on a cost sharing basis.

5. How is the Scheme financed ?

The Scheme is funded by the contributions raised from the employees and employers of the covered employers. The rates of contribution, as a percentage of wages paid / payable to the employees, are as under:

Employees' contribution – 1.75% of the wages.

Employers' contribution – 4.75% of the wages.

Thus, in respect of each of the employee, **6.50%** of the wages (*including overtime allowance*) is to be paid as contribution to Scheme. The Scheme does not receive any budgetary support from the Government. The State governments, as per the provisions of the Act, contribute 12.5% of expenditure on medical care on ESI beneficiaries in their respective States within the per capita ceiling.

6. What benefits do the **employers** avail under the Scheme ?

The various benefits that the employers reap out of the Scheme are:

- a) No expenditure to be incurred towards administration of medical care to the employees / their dependants.
- b) No requirement for medical insurance policy as all medical facilities, including Super specialty treatment is extended to the beneficiaries, without any ceiling on expenses.
- c) Employers are exempted from the provisions of / liabilities under:
 - i) Maternity Benefit Act
 - ii) Employees' Compensation Act

7. What are the benefits that the **employees** get out of this Scheme ?

The benefits available under the Scheme to the employees can be categorised under two broad heads, viz., **cash benefits** and non-cash benefit, viz., **medical care**.

Cash Benefits:

1. **Sickness benefit** – for employees during the period of sickness
2. **Maternity benefit** – for employees during the period of confinement
3. **Disablement benefit:**
 - a) Temporary disablement benefit: for employees arising out of employment injury
 - b) Permanent disablement benefit: for employees arising out of employment injury
4. **Dependants' benefit** – for dependants of employees; in case of death of employee due to employment injury
5. **Other benefits:**

- a) **Funeral Expenses** – to a person who performs the last rites of the deceased employee
- b) **Rehabilitation allowance** – for employee who is disabled due to employment injury
- c) **Vocational rehabilitation** - for employee who is disabled due to employment injury
- d) **Medical Bonus** – for insured woman / wife of employee during confinement

Medical Care:

Employees and their dependants are administered medical care, through ESI dispensaries, hospitals, etc.; in case the requisite facilities are not available in the ESI hospitals, the employees are referred to premier private / government hospitals for medical treatment on '**cashless**' basis. The employees / dependants of the employees are also entitled for super specialty treatment, **without any ceiling** on the cost of medical treatment.

Old age medical care: For retired employee and spouse on payment of Rs.120 per year; the beneficiaries are entitled to all medical facilities available in ESI hospitals (not eligible for referral to & treatment at tie-up hospitals).

REGISTRATION, CONTRIBUTION AND ALLIED PROVISIONS

8. How should an employer register as per the provisions of the ESI Act?

Any employer who becomes coverable under the Act can register online (www.esic.in) and get registered. While registering online, the employer has to give correct and complete details. (the employer would be contacted through the email for communicating the access credentials to the employer portal, reset of password, etc.); once registered, the employer will be allotted a 17 digit employer code. Except for employers who supply manpower, all the employers can proceed with the compliance under the Act, without even visiting the ESI offices, as all activities, like registering the employees employed, filing contribution, generating challan for remitting contribution, filing periodical returns, etc. can be done online.

9. Should an employer who has operations all over the country, register only once where it's head office is located, or should it get registered separately for each of it's branch offices also?

An employer who is already registered under the ESI Act (who is having a 17 digit code) need not apply for registration afresh in respect of its branch offices located in different locations of the country. Instead, the employer can get a sub-code generated in respect of it's branch offices (can be generated online) so as to comply with the provisions of the Act. Sub-codes need to be generated only in respect of offices located outside the jurisdiction of the Regional Office / Sub-regional office in which the main office is located. In other words, if the branch office is located in the same state in which the main office is also located, a separate sub-code need not be generated for the branch office; the branch can comply under the main code itself.

10. Once registered, can an employer edit the details already furnished online ?

As regards details pertaining to the employer, like name of the employer, address, etc., the employer may submit a request online, supported by documentary evidence, and on approval by the competent authority, the change will get effected in the system. As regards details pertaining to the employees registered by the employer, except for the name and insurance number of the employer, all the other details, including dependant details, address of the employee, etc., can be edited by the employer.

11. How can an employer, who is registered under the Act, register it's employees under the Scheme?

The employer, once allotted the ESIC registration number, can login to the employer portal and register it's employees, as soon as they are employed by it. *In case of first employment* (the employee has not worked anywhere before joining the employer), the employee has to register the employee under the ESI Scheme, submitting the details of the employee, his family members, place of residence of himself and that of his family members, the dispensary to which they want to avail medical treatment, etc; once registration is completed, the employee will be allotted an insurance number, which is unique and will be valid throughout the life of the employee, even if the employee changes job. In case, the employee is already having an insurance number, the employer has to enter that number and proceed with updating the details of the employee.

12. Can an employee, who is already having an insurance number, be allotted an insurance number afresh, when he joins a different organisation?

No. The insurance number is unique for each employee and is valid throughout the life of the employee, irrespective of his changing jobs. The eligibility criteria in respect of various benefits under the ESI Scheme is based on the number of days for which an employee is covered under the Scheme. The number of days for which an employee is covered under the Scheme is reckoned irrespective of the different employers under which the employee has worked. If an employee who is already having an insurance number is registered again, the employee might not satisfy the eligibility criteria in respect of various benefits, and as a result would be denied the benefits, which he /she would have got, had the fact of existing insurance number is disclosed.

13. Should the employer register all the employees employed by it under the Scheme, even if they are not entitled for benefits under the Scheme ?

No. As only those of the employees whose monthly remuneration (excluding overtime wages) does not exceed Rs.15,000 per month are entitled for coverage under the Scheme, the employer need to register those employees alone. (However, for the purpose of coverage under the Scheme, i.e., whether the employer has employed ten or more employees, all employees employed by the employer, irrespective of the salary are reckoned).

14. Is it necessary to register temporary employees, casual labour, etc., employed by the employer apart from registering the employees on their roll ?

Yes. All employees, including casual labour, temporary employees, employees employed through contractors (outsourced) etc. have to be registered by the employer.

15. Who is responsible for the registration of contract employees employed in an organisation - the organisation where the contract employees are deployed, or, the contractor who has employed them?

The organisation which utilises the services of the contract employees need not register these employees under the Scheme, if they are already registered by the contractor. However, as the *principal employer*, that organisation would be responsible for the remittance of contribution in respect of such employees by the contractor under the ESI Act. So, the organisation employing outsourced employees should ensure that the contractor through whom these employees are employed is complying under the provisions of the Act.

16. What is the proof of registration of employees?

Once registered, in respect of employees who are being registered under the Scheme afresh, an insurance number is allotted and a Temporary Identity Card (TIC) is generated; this TIC is valid for a period of 3 months from the date of registration, within which the employee has to enrol for the *Pehchan card*. In case of employees who are already registered, their name would be linked to the current employer, which can be checked in the employer's portal as well as the employees' portal.

17. Whether any special provisions are there in respect of for physically disabled employees ?

Yes. In respect of physically disabled employees, the wage ceiling is Rs.25,000/-, i.e., they are entitled to the benefits under the Scheme, till their monthly remuneration exceeds Rs.25,000 per month. As regards remittance of contribution, the employer is exempt from payment of contribution for four year in respect of the disabled employees (the Central government remits the

contribution on their behalf). (However, the employee's share need to be remitted by the employer).

18. What is the procedure for availing the special provisions in respect of physically disabled employees?

For availing the benefits of this provision, the disabled employee has to be registered as if he / she is an employee without any disability; subsequent to registration, the employer need to approach the branch office along with the documents in proof of the disability (for eg. certificate of disability issued by a Civil Surgeon). On submission of these documents, the branch manager would incorporate the details of disability in the system; once incorporated, these special provisions would come in to effect.

19. Are there any other exemptions in respect of any special category of employees ?

Yes. In respect of employees whose average daily wages is less than Rs.100 per day, the employee's share need not be paid. However, the employer's share (4.75% of the wages) need to be paid.

20. How is contribution to be paid by an employer arrived at and submitted ?

The employer has to file the details of contribution payable in respect of each month, latest by the 21st of the succeeding month, online. If the contribution is not filed and the amount payable remitted by 21st of the succeeding month, the employer would be liable to pay interest and damages for delayed payment. The employer can file the contribution in the respective screens in the employer portal, or it can use the the prescribed spreadsheet template (MS-Excel) which can be downloaded from the employer portal and upload the template file, duly filled in.

21. Once contributions is filed and the amount payable arrived at, what is the mode of remittance of the contribution?

Once the contribution payable is arrived at, challan has to be generated for the said amount; while generating challan, the mode of payment is to be selected, i.e., cash, demand draft or cheque. Once the challan is generated, the same has to be submitted along with the requisite cash, cheque, as the case may be, in any of the branches of the State Bank of India. Employers having internet banking facility with the State Bank of India, may also remit the contribution online.

PEHCHAN CARD

22. What is Pehchan card?

All the employees who are entitled to benefits under the Scheme are issued a set of two smart cards, christened '*Pehchan Card*'. Using this card, the employee can go to the ESI dispensary and avail medical treatment. One card is meant for the employee, i.e., the Insured Person (IP), and the other card is meant for the family members. In case the family members of the IP are staying in a different town / city, they can avail medical facilities of ESI Scheme in a dispensary located near their residence with the other card. The Pehchan card has the insurance number, name of the IP and the photograph of the IP/ family members printed on it.

23. What is the procedure for obtaining the Pehchan card ?

On the employer registering the employee, an insurance number is generated and the employee becomes an Insured Person (IP). The employer has to take a print of the Temporary Identity Card (TIC), generated after completing the registration of the employee; the TIC, along with the family photo of the IP, both duly attested by the employer, should be handed over to the IP. The IP has to take these documents, and approach the nearest branch office, wherein the IP's photograph would be taken and the fingerprints of the IP and his/ her family members would be scanned. On completion of the procedure, the Pehchan card would be delivered to the IP, in about 2 weeks' time.

24. Should an IP go only to the branch office to which he / she is attached to, for enrolment of pehchan card ?

No, The IP can go to any of the ESIC offices situated in the country to get enrolled for pehchan card. However, the card would get printed only in the Regional Office / Sub-regional office in which he / she is registered.

25. Should the IP go along with all the family members for enrolment of Pehchan card ?

No, the IP can go and enrol for the Pehchan card in the first instance and then get the family members alone enrolled subsequently. However, in case of family members of IP, who are minors, the IP has to necessarily accompany them while enrolling for smart cards. In respect of family members who are not minors, the family members, without being accompanied by the IP, can get enrolled, provided they take the TIC and family photo / Pehchan card.

26. If the family members get enrolled subsequent to the enrolment of the IP, how will their photo appear in the Pehchan card ?

Photograph of only those of the family members, who enrolled along with the IP in the first instance would appear in the smart card. However, the photograph of the family members would be stored in the system and as when the card is swiped, all the photographs would appear in the computer screen. The IP should continue using the card issued in the first instance. No further cards would be issued just for the sake of the photograph of the family members not displayed in the Pehchan card.

27. Can the family members of the IP enrol in their place of residence while the IP enrol in his place of work, where the IP and his / her family members are residing in some other town / village / state ?

Yes. The IP, after enrolling himself / herself, may send the duly attested TIC and family photo by post to his / her family members, who in turn can enrol in the ESI office near their residence.

28. Will the IP get a new card if he / she changes employment ?

No. The Pehchan cards issued is for life. The IP should use the same card even if he / she changes employment.

29. Can the IP enrol again if the IP loses the card / the card gets destroyed / damaged ?

No. The IP should not enrol again under any circumstances. If the IP enrolls for the second time, the system would block the printing of the Pehchan card in respect of enrolment done for the second time, by matching the fingerprints already there in the system. In case the IP loses the Pehchan card he / she has to contact the branch office to which he /she is attached; on payment of a fee of Rs.25/- , duplicate card would be issued to the IP.

30. Whether it is possible for an employer to get it's employees enrolled for Pehchan card in it's premises?

Yes. In case, where the number of employees to be enrolled is not below 80, ESIC can arrange the enrolment of the employees pertaining to the employer at it's premises, by sending it's technical team, subject to certain conditions. The employer has to approach the respective Regional Office / Sub-regional office with a request in this regard.

BENEFITS

31. What are 'contribution periods' and 'benefit periods'?

A financial year is divided into two six months span, i.e., April to September and October to March. Each of the six monthly period is called a '*contribution period*'. Similarly, a calendar year is divided into two six monthly span, i.e., January to June and July to December, with each of the six monthly period being called a '*benefit period*'. For the contribution paid in the contribution period from April to September, an IP would be eligible for benefit in the period from January to June. Similarly, for the contribution paid in the period from July to December, the IP becomes entitled to benefits in the benefit period from July to December. Thus, the entitlement to benefits of an IP during a benefit period is decided based upon the number of days for which contribution is being paid in the contribution period corresponding to the benefit period.

32. How superior is the ESI Scheme as compared to the Medclaim policy / Group medclaim policy issued by the general insurance companies.

The benefits under the ESI Scheme are far superior as compared with the risks covered under the medclaim policies. Medical care is **only one of the many benefits** available to the beneficiaries under the Scheme. Even this one benefit comes out far superior when compared with the medclaim policies, as detailed below:

<u>Commercial medical insurance</u>	<u>ESI Scheme - medical benefit</u>
Commercial motive	Welfare motive
Premium based on age, sum insured & claims experience	Uniform rate of contribution for all age groups
Medical check up reqd. for certain persons	No medical checkup required for anyone
Ceiling on overall benefit (sum insured) as well as compartmental limits	No limit on medical benefit
Exclusions prescribed	No exclusions
Extra premium for covering family of insured person (IP)	Family members of IP covered at no extra cost
Only medical benefit	Provides many benefits in addition to medical benefit
Choice of class of treatment (general ward, pvt. / semi pvt. ward, etc.)	No choice of class of treatment - only general ward

33. What is medical benefit?

Medical benefit means medical care to the IPs and their families. Medical benefit is provided in kind through a network of hospitals and dispensaries coming under the administrative control of the State Government and through ESIC Model Hospitals and Hospitals coming under the administrative control of the ESI Corporation. This benefit is uniform to all according to their requirement without disparity or linking it to their wages

and contributions paid. ***It is the only health insurance scheme in the world, which has no upper ceiling on expenditure on medical care of beneficiaries.***

34. What are the eligibility conditions to become entitled to medical benefit?

A person who is covered under the scheme for the first time is eligible for medical care for self and family for three months. If, he /she continue in insurable employment for three months or more, the benefit is admissible till the beginning of the corresponding benefit period. If the insured person is under ESI coverage for at least two years and contributed for not less than 156 days, and is suffering from any of the 34 specified long term diseases, the medical benefit is admissible till the incapacity lasts or for a period of 2 years for self and family.

35. Whether the family members of the IP who are staying in a different place from that of the IP avail medical care in their place of residence ?

In case the family members of the IP are staying in a different town / city from that of the IP, and this fact is declared online by the employer, they can avail medical facilities of ESI Scheme in a dispensary located near their residence with the pehchan card. (the IPs are given a set of two pehchan cards).

36. What is the procedure to avail medical benefit when an insured person leaves station for a temporary period ?

While leaving the station, the insured person may obtain a certificate of employment from his employer in Form ESIC – 105. Based on this certificate and pehchan card, the insured person can avail medical benefit in any ESI Dispensary/Hospital across the country. ***On the basis of the Pehchan card, the insured person and his /her family can avail medical benefit in any ESI Dispensary/Hospital after the computerisation process is completed.***

37. How are medical treatment administered to the beneficiaries if any of the ESI hospitals are not having the requisite facilities (super specialty treatment) ?

The State Medical Commissioner/Medical Superintendents of ESIC Hospitals/Director, ESI (Medical) Services, have entered into tie-up arrangements with recognized medical institutions to provide cashless treatment to insured persons and their family members for treatment that are not available in ESI/ESIC institutions to ensure that the ESI beneficiaries are provided full medical care. In order to avail treatment in such hospitals, the insured persons are required to obtain eligibility certificate from the concerned Insurance Medical Officer of ESI/ESIC hospital, referring the insured person or his dependents to such hospitals.

38. What are the eligibility conditions for availing the super specialty treatment ?

The eligibility conditions are as follows:

- ❖ An insured person who is eligible for medical treatment is entitled to avail Super Speciality treatment, for self and his/her family.
- ❖ A newly registered employee is entitled to avail super speciality treatment for self, on completion of three months of service in insurable employment and contribution should have been paid/payable for not less than 39 days during that period.
- ❖ A newly registered employee 's dependents are entitled to super speciality treatment on completion of six months of service in insurable employment and contribution should have been paid/payable for not less than 78 days during that period.

The concepts of contribution period and benefit period will not apply while deciding the eligibility of an IP for Super specialty treatment.

39. Whether a beneficiary can avail the super specialty treatment in a state different from that of the state in which the IP is registered ?

Yes. The procedure for the same is as follows:

- The referring hospital/dispensary shall send a copy of the reference slip to the SSMC/SMC of the referring and the referred state from where the patient wants to avail, the required super-speciality treatment.
- SSMC/SMC of the state from where the patient wants to take treatment, shall intimate the network/tie-up hospital for providing necessary/required treatment. Thereafter, the bill for payment may be sent to the SSMC/SMC of the state from where he was referred on completion of treatment.

40. A brief note on the infrastructure for ESIC for extending medical care to the beneficiaries.

Since the inception of the scheme, the infrastructural network of the Scheme has been expanding to meet the social security requirements of an ever increasing worker population. Full range of medical, surgical and obstetric treatment consisting of out-door treatment, in-patient treatment, supply of all drugs and dressings, pathological and radiological investigations, prenatal and post-natal care, super speciality consultation and treatment, ambulance services, provision of artificial appliances etc are provided to the ESI beneficiaries through a network of dispensaries/hospitals and recognized medical institutions where tie-up arrangements have been entered into to provide cashless treatment.

The ESIC hospitals at Rajajinagar and Peenya and ESI Hospital at Indiranagar in Bangalore have been provided with sophisticated equipments for detection and treatment of various diseases. ESI Hospital at Indiranagar has facility for dialysis and the ESIC hospital at Rajajinagar has been modernized and has upgraded facilities viz., C.T. Scan, MRI, Blood bank, ICU. centralized gas pipe line, modern laundry and kitchen. Further, ESIC has entered into MOU with Jayadeva Institute of Cardiology and commissioned cardiac centre at ESIC Model Hospital.

The ESI beneficiaries can avail medical benefit through a network of hospitals/dispensaries/panel clinics/recognized medical institutions in the state as on date as detailed below :-

SL.NO.	PARTICULARS	
01.	No. of hospitals	9
02.	No. of beds commissioned	1275
03.	No. of dispensaries	105
04.	No. of ESI Annexes	3
05.	No. of employers' facility hospitals	12
06.	Diagnostic Centre	1
07.	Panel clinics	4
08.	Tie-up hospitals (super speciality treatment)	85

41. What is sickness benefit?

Sickness signifies a state of health necessitating medical treatment and attendance and abstention by the IP from work on medical grounds. Financial support extended by the ESI Corporation in such a contingency is called Sickness Benefit. This benefit is paid for the period of abstention, duly certified by the Authorized Medical Officer.

42. What are the eligibility conditions for availing sickness benefit ?

The eligibility criterion for availing sickness benefit are as follows :-

- ❖ On completion of nine months in insurable employment.
- ❖ Should have paid contributions for not less than 78 days in the corresponding contribution period.
- ❖ Eligible for 91 days Sickness Benefit in two consecutive benefit periods.
- ❖ Benefit is not paid for an initial period of two days during the certified period of illness known as waiting days.

If the insured person is certified sick within 15 days of the last spell, the waiting period is not reckoned and benefit is payable from the beginning of the spell.

43. What is the quantum of sickness benefit payable ?

Sickness Benefit is payable @ 70% of the average daily wages of the IP.

44. What is Extended Sickness Benefit ?

Extended Sickness Benefit is paid for prolonged illness due to 34 specified diseases, over and above the sickness benefit. Extended sickness benefit may also be sanctioned by the prescribed authority in case of any rare disease or special circumstances on the recommendation of the specified authority.

45. What are the conditions for availing Extended Sickness Benefit ?

The eligibility criteria for availing Extended Sickness Benefit are:

- ❖ Should be an insured person on the date of commencement of spell of extended sickness benefit.
- ❖ Should have been employed continuously for a period of 2 years or more in covered factory or establishment.
- ❖ Continuous employment means that the insured person should have completed four contribution periods immediately preceding the spell of sickness.
- ❖ Contributions should have been paid/payable for 156 days in the above said four contribution period.
- ❖ The insured person should be eligible to claim sickness benefit in at least one of the four contribution periods.

The above conditions may be relaxed on humanitarian grounds, subject to sanction by the appropriate authority and based on the following criterion:-

- ❖ Those who have not completed two years but have paid contributions for 156 days and also qualified for SB in one of the contribution periods.
- ❖ Those who have completed two years and also paid contributions for 156 days, but are not eligible for SB in any contribution period.

46. What is the scale of Extended Sickness Benefit payable ?

The scale of benefit is as follows :-

- ❖ After exhausting 91 days of Sickness Benefit, ESB is payable upto 124/309 days i.e., which includes SB for 91 upto 400 days.
- ❖ Upto 2 years ie., 730 days in special circumstances or till the insured person attains 60 years, whichever is earlier, subject to recommendations of the appropriate authority.
- ❖ Payable @ 80% of average daily wages.

47. What is enhanced sickness benefit and who can be availed?

To promote the norms of small family, this cash benefit is paid to the insured person for undergoing vasectomy/tubectomy operation. The eligibility criteria and scale of benefit are :-

- ❖ Should have paid contributions for not less than 78 days in the corresponding contribution period.
- ❖ Benefit payable for 14 days for tubectomy and 7 days for vasectomy.
- ❖ For post operative complications of tubectomy, benefit can be extended by the appropriate authority beyond 21 days.
- ❖ Benefit is payable @ 100% of average daily wages.

48. What is an employment injury ?

It is a personal injury caused by an accident or occupational disease arising out of and in the course of his insurable employment within or outside territorial limits of India. The law relating to employment injury has been liberalized. An accident arising in the course of employment is presumed also to have arisen out of employment if there is no evidence to the contrary. An accident which may occur while commuting between the place of residence and workplace is also treated as notional extension of employment, and as a result, and the injury sustained from such an accident is construed as employment injury, if, the nexus between the time, place and circumstances and employment is established, for purpose of disablement or death benefit.

49. Whether the employer is entitled to claim reimbursement in respect of first aid, medical care and transport of the IP who has sustained employment injury ?

Yes. The employer, could furnish the claim along with the supporting document in respect of the expenditure incurred, along with the undertaking from the IP that he / she has not borne any of the expenditure for which reimbursement is being claimed by the employer. The employer should also ensure that Accident report in form-12 is submitted to the branch office to which it is attached to, at the earliest (the report may also be submitted online).

50. What is disablement ?

Disablement is a condition resulting from employment injury which may render the insured persons disabled. The various types of disablement are:

1. Temporary disablement - rendering an insured person incapable of work temporarily and necessitating medical treatment.
2. Permanent Partial disablement – reducing the earning capacity of the insured person.
3. Permanent Total disablement – totally depriving the insured person of the power to do any work.

51. Which of the diseases fall under the category 'occupational diseases' ?

Occupational diseases are such diseases that the IP is susceptible to as a result of engaging in a specific occupation. Contracting any disease while in employment for a specified period in any of the industries listed in Part, A, B & C of Schedule III of the ESI Act, which enumerates the industrial processes involving exposure to the diseases and the corresponding compensable occupational diseases, are thus recognized for payment of disablement benefits without any further evidence.

52. What is Temporary Disablement Benefit ?

It is a periodical payment to an insured person suffering from disablement as a result of employment injury for the period of abstention from work certified by an authorized Medical Officer. The salient features and scale of benefit are as follows :-

- ❖ From the very first day of entering into insurable employment, the insured person is entitled to this benefit irrespective of having paid any contribution.
- ❖ Temporary Disablement Benefit is payable to the insured person after the accident is accepted as employment injury.
- ❖ The benefit is payable as long as the temporary disablement lasts and is duly certified.

The quantum of benefit is 90% of average daily wages.

53. What is Permanent Disablement Benefit ?

Due to employment injury, if an insured person has any residual disability of permanent nature, the insured person is referred to a medical board and the loss of earning capacity is assessed, if any, as per Schedule II of the ESI Act, as well as non-scheduled injuries resulting from employment injury. Thereafter the insured person is paid monthly periodical payments of permanent disablement for life from the date of termination of temporary disablement benefit **at the percentage awarded by the Medical Board out of the full daily rate of temporary disablement benefit**. In case, the insured person has not been certified temporarily disabled between the date of injury and the date of assessment by the medical board, permanent disablement if assessed is payable from the following date of employment injury due to accident.

54. How is Permanent Disablement Benefit disbursed to the IPs ?

The benefit is processed by the Regional Office /Sub Regional Offices/Divisional Office and credited to the bank account of the insured person every month. Payments are disbursed by Branch Offices in respect of cases not processed RO/SRO/DO. The insured person can also opt for the payment in lump sum, if his daily rate of Permanent disablement benefit does not exceed rupees five per day or in case it exceeds rupees five per day, but the commuted value does not exceed rupees thirty thousand. **The insured person is required to submit life certificate once a year during the month of January every year and an amount of Rs.100/- would be paid as conveyance to the concerned insured person.**

55. What is Dependant Benefit ?

Dependent's benefit is a monthly pension payable to the eligible dependents of an insured person who dies as a result of an employment injury or occupational disease. Dependent benefit is payable from the next day of death. The eligibility condition, periodical

payment, mode of payment and the calculation of the rate of benefit are similar to Permanent Disablement benefit.

56. What is the quantum of dependant benefit payable among the dependants of a deceased IP ?

The dependant benefit is distributed amongst the eligible dependents in the following ratio :-

- ❖ Widow – till life or re-marriage – @ $3/5^{\text{th}}$ of full rate
- ❖ Widowed mother - @ $3/5^{\text{th}}$ of full rate
- ❖ Sons - @ $2/5^{\text{th}}$ of the full rate till he attains the age of twenty five years and is dependent
- ❖ Daughters - @ $2/5^{\text{th}}$ of the full rate until marriage.
- ❖ If the son or daughter is infirm and wholly dependent on the earnings of the insured person, at the time of death of insured person, will continue to receive benefit even after attaining 25 years /marriage as the case may be.
- ❖ If the insured person has no family of his own, the dependent parents are entitled to $3/10^{\text{th}}$ each of the full rate.

While calculating the rate, if the total dependents' benefit for all the dependents exceeds the full rate at any time, the share of each dependent should be proportionately reduced, so that the total amount payable to all dependents does not exceed the full rate. Further, **the ESI Corporation has enhanced the minimum pension to Rs.1200/- per family.**

57. Is there any provision in the Scheme to rehabilitate the IP who are disabled due to employment injury ?

Vocational Rehabilitation Scheme for disabled IPs is provided to insured persons whose loss of earning capacity resulting from employment injury has been assessed as not less than 40% as per the Second Schedule to the Act and for scheduled as well as non-scheduled injuries resulting from and employment injury. Subject to the following :-

- ❖ Should be in receipt of PDB
- ❖ Should not be in any gainful employment
- ❖ Should not be more than 45 years of age as on the date of his application

A cash allowance of Rs.123/-per day will be paid by the centre/vocational rehabilitation centre during the period of training and conveyance /journey fare by second class railway/bus whoever is applicable will be paid.

58. What is maternity benefit ?

Maternity Benefit is cash payable to an insured woman for a specified period of abstention from work, due to confinement, miscarriage or sickness arising out of pregnancy, pre-mature birth of child or miscarriage or confinement. 'Confinement' connotes labour resulting in the delivery of a living child or labour after 26 weeks of pregnancy whether the resultant issue is alive or dead. 'Miscarriage' means expulsion of the contents of a pregnant uterus at any period prior to or during the 26th week of pregnancy. Criminal abortion or miscarriage does not entitle the insured woman the benefit.

59. What are the conditions subject to which maternity benefit is payable ?

The conditions for availing maternity benefit are as follows:

- Payment of contribution for not less than 70 days in the immediately preceding two contribution periods.
- Confinement should actually occur or expected to occur in a benefit period relevant to the insured woman, i.e., if she actually confines or expected to confine before the start of the first benefit period, is not entitled to claim, even though, a part of the maternity leave will fall within her first benefit period.
- If an insured woman's actual date or expected date of confinement, falls within her first benefit period, she will be entitled to maternity benefit even if a part of the maternity leave may fall before the start of the first benefit period.
- Upto 12 weeks in the case of normal delivery, upto 6 weeks in the case of mis-carriage. Extendable by 4 weeks on medical advice.
- Benefit payable at almost 100% of average daily wages.
- Benefit is paid only if the insured woman does not work for remuneration during the period for which benefit is claimed irrespective whether she received any leave wages also for the days of abstention or was on strike during the same period.

60. What is medical bonus?

Medical Bonus is lump sum payment made to an insured woman or an insured person in respect of his wife towards confinement expenses, if the confinement occurs at a place where facilities under the ESI Scheme were not available. An amount of Rs.2,500/- are payable for each confinement and are restricted upto only two confinements.

61. What are the provisions regarding defrayment of funeral expenses ?

A lump sum payment towards expenditure on the funeral of a deceased insured person is paid either to the eldest surviving member of the family or if he has no family or not residing with his family at the time of death, to the person who actually performs the funeral of the deceased insured person. The funeral expenditure can be claimed subject to the following :-

- ❖ The insured person should have been an insured person at the time of his/her death.
- ❖ There is no contributory condition for admissibility to this benefit but should be entitled at least to medical benefit on date of death.
- ❖ The dependents of an insured person in receipt of Permanent Disablement Benefit, even though may not have been in insurable employment at the time of death, can claim funeral expenditure.
- ❖ The actual amount incurred or a maximum amount of Rs.10,000/- whichever is less, is payable to the claimant based on proof of death of insured person.

62. Are there any benefits for the IPs who are rendered unemployed ?

Yes. An insured person is entitled to claim unemployment allowance under Rajiv Gandhi Shramik Kalyan Yojana (RGSKY), subject to the following situations – He / she is rendered unemployed due to retrenchment or closure of an factory/establishment as defined under the Industrial Disputes Act, 1947 and due to permanent invalidity above 40% arising due to non-employment injury and which is duly certified by a Medical Board duly constituted by the State or Central Government. The insured person is required to fulfil the following criterion to claim the allowance:

- ❖ The applicant should have been an insured person as per the ESI Act as on the date of loss of employment due to retrenchment, closure or permanent invalidity arising out of non-employment injury.
- ❖ Contributions should have paid payable for a minimum period of three years prior to the loss of employment,
- ❖ Should have paid 156 days or more in any two consecutive contribution periods which are to be reckoned.
- ❖ Claim should be submitted within 9 months from the date of being rendered unemployed.
- ❖ The benefit is payable for a maximum period of twelve months during their entire life time.
- ❖ Entitled to medical benefit along with their dependent family members during the period from ESI Hospital/dispensaries, panel doctors to which they were attached prior to loss of employment.
- ❖ Benefit is payable @ 50% of the average daily wages.

63. Is there any provision to rehabilitate the IP who are rendered unemployed?

Yes. The insured person entitled to this skill development scheme should be in receipt of unemployment allowance under RGSKY.

- ❖ The duration of the course is for a maximum period of six months and within the period when they are receiving unemployment allowance
- ❖ Should not go beyond the last date of receipt of RGSKY

Training is admissible only once in the entire life time.

64. Are there any benefits for the retired IPs and permanently disabled IPs who cease to be in insurable employment under the Scheme ?

a) An insured person who ceases to be in insurable employment on account of permanent disablement can receive medical benefit till the date on which he would have vacated employment on attaining the age of superannuation had he not sustained such permanent disablement.

b) An insured person who has attained the age of superannuation or retires under voluntary retirement scheme or takes premature retirement and their spouse can avail medical treatment.

The above insured persons can avail the benefit subject to the following eligibility criteria :

- ❖ Should have been an insured person on the date of leaving employment due to superannuation, voluntary retirement or premature retirement.
- ❖ Submits proof that he has remitted contributions for not less than 5 years.
- ❖ No other member of the family other than the spouse shall be eligible for this benefit.
- ❖ Entitled to medical facilities as if he is a regular insured person, except that super speciality treatment will be not be admissible to such a person and his spouse.
- ❖ On the death of insured person, the spouse will be entitled to medical care upto the date the insured person would have been entitled had he/she been alive.

It is to be noted that insured persons who have voluntarily retired / prematurely retired w.e.f. 1.6.2010 are entitled to avail this facility.

65. Which office should the IP / employer approach for availing the benefits under the Scheme ?

The IP / beneficiaries have to approach the branch office to which they are attached to, for availing the benefits under the Scheme.

66. Can the IPs avail more than one cash benefits at a time ?

An insured person shall not be entitled to receive for the same period —

- (a) both sickness benefit and maternity benefit ; or
- (b) both sickness benefit and disablement benefit for temporary disablement.
- (c) both maternity benefit and disablement benefit for temporary disablement.

Where a person is entitled to more than one of the benefits mentioned in sub-section (1), he / she shall be entitled to choose which benefit he / she shall receive.

MISCELLANEOUS PROVISIONS

67. How can an IP ascertain the details of contribution paid, his / her eligibility to various benefits, etc ?

The IP can log on to the IP portal (www.esic.in/employeeportal/login.aspx) with their insurance number as the user id and ascertain the details of contribution paid on their behalf, their entitlement to various benefits, etc.

1. Penal provisions in respect of employees –recovering its share from employees, increased incidence of benefit payments, etc. – whether to be included ?
2. Can we get an image of the pehchan card pasted in the relevant place ?