

Benefits under the ESI Act

ESI Act provides social protection to workers deployed in the organized sector in conceivable contingencies such as sickness, maternity, death or disablement due to employment injury. Based on the principle of pooling of risk and resources the unique multidimensional health insurance scheme guarantees a fair deal to members by providing full medical facilities to the beneficiaries besides adequate case compensation to insured persons.

Important Definition: -

Section 2(9) “Employee”

Section 2(10) “Exempted Employee”

Section 2(14) “Insured Person”

Section 2(11) “Family”

Section 2 (6A) “Dependent”

Section 2(9) “Employee”

“employee” means any person employed for wages in or in connection with the work of a factory or establishment to which this Act applies and —

- (i) who is directly employed by the principal employer on any work of, or incidental or preliminary to or connected with the work of, the factory or establishment, whether such work is done by the employee in the factory or establishment or elsewhere; or
- (ii) who is employed by or through an immediate employer on the premises of the factory or establishment or under the supervision of the principal employer or his agent on work which is ordinarily part of the work of the factory or establishment or which is preliminary to the work carried on in or incidental to the purpose of the factory or establishment ; or
- (iii) whose services are temporarily lent or let on hire to the principal employer by the person with whom the person whose services are so lent or let on hire has entered into a contract of service; and includes any person employed for wages on any work connected with the administration of the factory or establishment

or any part, department or branch thereof or with the purchase of raw materials for, or the distribution or sale of the products of, the factory or establishment; or any person engaged as an apprentice, not being an apprentice engaged under the Apprentices Act, 1961 (52 of 1961), and includes such person engaged as apprentice whose training period is extended to any length of time but does not include:

- (a) any member of the Indian naval, military or air forces; or
- (b) any person so employed whose wages (excluding remuneration for overtime work) exceed such wages as may be prescribed by the Central Government: ***Note**

Provided that an employee whose wages (excluding remuneration for overtime work) exceed such wages as may be prescribed by the Central Government at any time after (and not before) the beginning of the contribution period, shall continue to be an employee until the end of that period ;

***Note:**

Wage ceiling	Effective date
Rs. 400=00	up to 30-06-1973
Rs. 500=00	from 01-07-1973
Rs. 1,000=00	from 30-11-1975
Rs. 1,600=00	from 27-01-1985
Rs. 3,000=00	from 01-04-1992
Rs. 6,500=00	from 01-01-1997
Rs. 7,500=00	from 01-04-2004
Rs. 10,000=00	from 01-10-2006
Rs. 15,000=00	from 01-05-2010
Rs. 21,000=00	from 01-04-2011 upto
Rs. 25,000=00 For physically handicapped	from 01-04-2011 upto

Section 2(10) “Exempted Employee”

“exempted employee” means an employee who is not liable under this Act to pay the employee’s contribution;

Section 2(14) “Insured Person”

“insured person” means a person who is or was an employee in respect of whom contributions are or were payable under this Act and who is, by reason thereof, entitled to any of the benefits provided by this Act;

Section 2(11) “Family”

“family” means all or any of the following relatives of an insured person, namely:-

- (i) a spouse;
- (ii) a minor legitimate or adopted child dependent upon the insured person;
- (iii) a child who is wholly dependent on the earnings of the insured person and who is —
 - (a) receiving education, till he or she attains the age of twenty-one years,
 - (b) an unmarried daughter;
- (iv) a child who is infirm by reason of any physical or mental abnormality or injury and is wholly dependent on the earnings of the insured person, so long as the infirmity continues;
- (v) dependant parents, whose income from all sources does not exceed such income as may be prescribed by the Central Government;
- (vi) in case the insured person is unmarried and his or her parents are not alive, a minor brother or sister wholly dependant upon the earnings of the insured person ;

Section 2 (6A) “Dependent”

“dependant” means any of the following relatives of a deceased insured person, namely: —

- (i) a widow, a legitimate or adopted son who has not attained the age of twenty-five years, an unmarried legitimate or adopted daughter;
- (ia) a widowed mother ;
- (ii) if wholly dependent on the earnings of the insured person at the time of his death, a legitimate or adopted son or daughter who has attained the age of 4[twenty-five] and who is infirm ;
- (iii) if wholly or in part dependent on the earnings of the insured person at the time of his death, —
 - (a) a parent other than a widowed mother,
 - (b) a minor illegitimate son, an unmarried illegitimate daughter or a daughter legitimate or adopted or illegitimate if married and a minor or if widowed and a minor,
 - (c) a minor brother or an unmarried sister or a widowed sister if a minor,
 - (d) a widowed daughter-in-law,
 - (e) a minor child of a pre-deceased son,
 - (f) a minor child of a pre-deceased daughter where no parent of the child is alive, or
 - (g) a paternal grand-parent if no parent of the insured person is alive ;]

BENEFITS

A Cash Benefit

B Benefit in Kind

A Cash Benefit

- **Eligibility Criteria Based Benefit.**
 - i) Sickness Benefit,
 - ii) Extended Sickness Benefit,
 - iii) Enhanced Sickness benefit,
 - iv) Maternity Benefit and
 - v) Confinement Expenses
- **Minimum Eligibility Criteria Based Benefit.**
 - a) Non pensionary benefit**
 - i) Temporary Disablement Benefit
 - b) Pensionary Benefit**
 - i) Permanent Partial Benefit,
 - ii) Dependant Benefit,
 - iii) Occupational Disease (only in case of Employment Injury) or Occupational disease.
- **Other Benefits.**
 - i) Funeral Expenses,
 - ii) Vocational Rehabilitation,
 - iii) Physical Rehabilitation

- iv) Unemployment Allowance,
- v) Skill Up gradation training

B Benefit in Kind

○ Health related Medical Benefit

- i) Medical Benefit under the ESI Scheme,
- ii) Domiciliary Treatment,
- iii) Super Specialty treatment and
- iv) other pecuniary health related facilities.

Traditional perspective of Benefits under PANCHDEEP

Five lights of Panchdeep. (only employee under definition 2(9) are eligible.)

➤ Sickness Benefit (Eligibility Criteria based Benefit Scheme)

(Sickness Benefit, Extended Sickness Benefit, Enhanced Sickness benefit, Maternity Benefit, Confinement Expenses)

(Pensionary Benefit)

➤ Temporary Disablement Benefit

➤ Permanent Disablement Benefit

➤ Dependent Benefit

➤ Funeral Expenses

Other Benefits includes

(Funeral Expenses, Vocational rehabilitation allowance, Physical rehabilitation, Unemployment Allowance, Skill Up gradation training)

BENEFIT EXPLAINED IN DETAIL

A. CASH BENEFITS

A. Eligibility Criteria based Benefits:

1. Sickness Benefit

Eligibility Condition:-

- Payment of contribution for 78 days in corresponding contribution period of Six Months.
- For the newly registered Insured Persons the benefit period starts 9 months after employment.

Duration & Scale of Benefit: -

- Up to 91 days in two consecutive benefit periods of six months each at 70% of the average daily wages

2. Extended Sickness Benefit

Eligibility Condition:-

- For 34 specified long term diseases . Continuous insurable employment for two years with 156 days contribution in four immediately preceding consecutive contribution periods and the IP should fulfill contributory condition for sickness benefit in at least one of these four contribution period.

Duration & Scale of Benefit:-

- 124 days which may be extended up to
 - i) 309 days in chronic suitable cases by Regional Dy. Medical Commissioner/Medical Referee/Administrative Medical Officer/Chief Executive of the E.S.I.Scheme.
 - ii) 730 days. The Director General/Medical Commissioner are authorised to sanction ESB for a maximum period upto 730 in cases of rare but treatable

diseases or under special circumstances, such as, adverse reaction to drugs which have not been included in the above list, depending on the merits of each case, on the recommendations of RDMC/AMO or either authorised officers running the medical scheme.

3. Enhanced Sickness Benefit

Eligibility Condition:-

- Payment of contribution for 78 days in corresponding contribution period of Six Months.
- For the newly registered Insured Persons the benefit period starts 9 months after employment.

Duration & Scale of Benefit:-

- 14 days for tubectomy and 7 days for vasectomy, extendable on medical advise.
- The rate of payment is 100% average daily wages.

4. Maternity Benefit

Eligibility Condition:-

- Payment of Contribution of 70 days in one or two preceding contribution periods

Duration & Scale of Benefit:-

- Up to 26 weeks in case of normal delivery.
- Up to 6 weeks for miscarriage, additional one month on medical advise.
- 12 weeks for commissioning mother and adopting mother
- Rate of benefit is 100% of the average daily wage.

5. Confinement Expenses

Eligibility Condition:-

- An Insured Person in respect of his wife in case expenses for confinement occurs at a place where necessary medical facilities under ESI Scheme are not available. IP should be eligible for Medical Benefit.

Duration & Scale of Benefit:-

- Up to Two confinements only.
- Rate Rs. 7500/- per case.

B. Minimum Eligibility Criteria based Benefits:

Non-Pensionary Benefit

1. Temporary Disablement Benefit

Eligibility Condition:-

- IP/IW if met with employment injury.
- From day one of entering insurable employment irrespective of having paid any contribution.

Duration & Scale of Benefit:-

- As long as disability lasts. Rate of benefit 90% of the average daily wages.

Pensionary Benefit:

1. Permanent Disablement Benefit

Eligibility Condition:-

- For disablement due to employment injury.
- From day one of entering insurable employment irrespective of having paid any contribution.

Duration & Scale of Benefit:-

- For whole life.
- Rate of benefit is decided on the basis of loss of earning capacity of the worker determined by the Medical Board.

3. Dependent Benefit

Eligibility Condition:-

- From day one of entering insurable employment, the dependent of Insured Person or Woman met with an employment injury are entitled for this benefit irrespective of having paid any contribution.

Duration & Scale of Benefit:-

- For whole life to the widow or until her re-marriage.
- To dependent children up to the age of 25 years.
- For whole life to widowed mother
- In case the above dependents are not there then to dependent parents or to dependent grandparents or to any other male dependent until he attains the age of 18 years or to any other female dependent until she attains the age of 18 Years or until marriage whichever earlier or if widowed until she attains age of 18 Years or till re-marriage whichever earlier.
- The full rate of Temporary Disablement Benefit is distributed in specified ratio to each dependent.

C. Other Benefits

1. Funeral Expenses

Eligibility Condition:-

- From day one of entering insurable employment.

Duration & Scale of Benefit:-

- For defraying expenses on the funeral of an Insured Person.
- Actual expenses subject to a maximum of Rs 15,000/-.

2. Vocational Rehabilitation

Eligibility Condition:-

- In case of Physical disablement due to employment injury.

Duration & Scale of Benefit:-

- As long as vocational training lasts.
- Actual fee charged or Rs 123/- per day whichever is higher.

3. Physical Rehabilitation

Eligibility Condition:-

- In case of Physical disablement due to employment injury.

Duration & Scale of Benefit:-

- As long as the person is admitted in an artificial limb centre.
- 100% of the average daily wages

BENEFIT IN KINDS

D. Health Related Benefit

1. Medical Benefit under the ESI Scheme

- The Act provides for reasonable medical care in the form of medical treatment and attendance to Ips and their families in respect of medical, surgical and obstetric treatment under section 58 of the Act.
- The administration of Medical Benefit; under the ESI Scheme is the statutory responsibility of the State Government except in the Union Territory of Delhi where the ESIC has taken over direct responsibility to administer the same with effect from 1.4.1962. The Corporation has also taken the responsibility of directly administering the existing Occupational Disease Centers at Delhi, Mumbai, Calcutta, Chennai and Nagda as well as the Scheme in the industrial pocket of Uttar Pradesh I.e., Noida and Greater Noida.
- Eligibility from day one

2. Domiciliary Treatment

- An Insured Person and his family members are entitled to free medical attendance by IMO/IMP at their residence when the condition of the patient is such that he/she cannot reasonably be able to attend the dispensary/clinic.
- Conveyance allowance for Domiciliary visit
 - For the domiciliary visit, the IMO's are paid conveyance allowance. The quantum of this allowance is decided by the State Government in consultation with the Corporation.

- The IMPs are not paid any domiciliary conveyance allowance. In their case, it is included in the capitation fee upto a distance of 5 km. between the Clinic of IMP and IP's residence.
- The IMOs/IMPs are required to maintain record of domiciliary visits in a register are given under the Chapter "Sickness Absenteeism and Recording".

3. **Super Specialty treatment**

- Total expenditure for SST shall be borne by ESIC

Eligibility

- For Dialysis from day one and for SST related to other diseases:-
 - a) In the case of treatment of insured Person, he/she should have been in insurable employment for a period of not less than 3 months and contributions in respect of him/her should have been paid/payable for not less than 39 days during this period.
 - b) In the case of Medical attendance and treatment of family members, the insured Person should have been in insurable employment for a period of not less than 6 months and contributions in respect of him/her should have been paid or payable for not less than 78 days during this period.

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All kind of suggestions and inaccuracies in the content
are welcome:

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