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## PRESS RELEASE

## ESIC introduces of a new Scheme to promote Registration of Employers/Employees

## ESIC also approves enhancement of Ceiling on Medical Expenditure from Rs. 2150/- to Rs. 3000/- per Insured Person with sub ceiling of Rs. 1250/for "Administration" and Rs. 1750/- for "Others" and approves its Annual Report and Annual Accounts for the year 2015-16

The ESI Corporation has taken some very important decisions towards extending the Social Security cover of ESI Scheme to whole of India and for medical care for serving the workers. Shri Bandaru Dattatreya, Hon'ble Minister of State for Labour & Employment (Independent Charge), Govt. of India chaired the 170<sup>th</sup> Meeting of ESI Corporation.

- To extend the coverage to the entire workforce, a new Employer friendly Scheme has also been approved as one time opportunity to (a.) Encourage the employers to register themselves; (b) Encourage the employer to register employees, if any, who have been left out of coverage including contractual, casual, temporary etc. The proposed Scheme will remain open for a period of three months from 1<sup>st</sup> January, 2017 to 31<sup>st</sup> March, 2017. The proposed scheme shall have following features:
  - i. The employers registering during the period will be treated as covered from the date of registration or as declared by them.
  - ii. The newly registered employees shall be treated as covered from the date of their registration.
  - iii. This will not have any bearing on actions taken/required under ESI Act, if any, prior to 1<sup>st</sup> January, 2017.
  - iv. The Chairman, ESIC may be authorized to remove difficulties, if any, in implementing the Scheme.
- 2. In order to improve the medical services under State run ESI facilities, the august body of ESI Corporation has today approved a remarkable decision to increase per capita ceiling of sharing expenditure with State Governments from existing Rs. 2150/- to Rs. 3000/- with sub ceiling of Rs. 1250/- for "Administration" and Rs. 1750/- for "Others". With

enhancement of this ceiling, the State Governments may now further equip better their medical services to ESI Beneficiaries in its ESI medical institutions. The enhanced ceiling of Rs. 3000/- will be fixed from 2017-2018 to 2019-2020 and reviewed annually from 2020-21 on the basis of WPI and expenditure pattern of the States.

3. The Employees' State Insurance Corporation today approved its Annual Report and Annual Accounts for the year 2015-2016 for submitting to the Central Government and laying on the table of both Houses of the Parliament. The Hon'ble Minister announced that the ESI Scheme is on the path of sustained growth. It is now catering to social security needs of more than 2.13 crores insured persons which is likely to increase to many folds crores in next two to three years. The number of beneficiaries covered under the Scheme is now 8.28 crores, which will also increase accordingly in next 2-3 years.

Since last two-three years, the ESI Corporation has achieved a lot towards bringing more and more workers under the Social Security Coverage of ESI Scheme; bringing Health Reform agenda under "ESIC 2.0"; and also for creating a digital environment for ESIC's working towards better delivery to our Insured Persons and Beneficiaries.

ESIC has been paying the cash benefits to its beneficiaries directly in their Bank Accounts. Besides this, Hon'ble Minister also informed that Ministry of Labour & Employment and all its divisions alongwith ESIC have taken-up a special drive for getting the bank accounts opened for the workers.

Smt. M. Sathiyavathy, IAS, Secretary, Labour & Employment, Govt. of India and Shri Deepak Kumar, IAS, Director General, ESIC were also present in the meeting. Shri Bandaru Dattatreya, Hon'ble LEM briefed the tripartite body i.e. the Corporation about the recent initiatives/developments/achievement of ESIC:-

- Creating "Ease of Compliance" and "Ease of Business" by getting all important processes of ESIC online.
- Launching of Public Grievance Module for online redressal of Grievance of the workers.
- Extending coverage of Social Security net of ESI Scheme in the remaining North-East States.
- Total revenue of the Corporation is Rs.14372.22 crores during the year 2015-16 in comparison to Rs. 13588.58 crores last year.
- The Corporation spent a total of Rs.6819.47 crores in the year 2015-16 on Medical, Cash and other benefits.

## Dy. Director (PR), ESIC