



A STUDY ON PROBLEMS FACED BY THE INSURED PERSONS OF COIMBATORE DISTRICT IN AVAILING THE ESI BENEFITS.

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ABSTRACT The Employees' State Insurance Scheme provides need based social security benefits to insured workers in the organized sector. ESI Corporation has taken up the daunting task of tailoring different benefit schemes for the needs of different worker groups. This study aims at identifying the problems faced by the beneficiaries in availing the benefits of ESI Scheme. The study is based both on primary and secondary data. Primary data are collected from fifty insured persons working in different establishments and factories and registered under the Branch Offices of ESIC, through questionnaire. The respondents feel that the formalities followed in availing the ESI benefits is cumbersome, Prolonged waiting period, rude behaviour of the staff, and unsuitable timing of the dispensary are the subsequent problems faced by the respondents. The respondents experienced problems in availing some of the basic medical benefits. The problems were identified and suitable suggestions are recommended in this paper.

KEYWORDS : Beneficiary, ESI Scheme, Social Security.

Introduction:

The Employees' State Insurance Scheme provides need based social security benefits to insured workers in the organized sector. ESI Corporation has taken up the daunting task of tailoring different benefit schemes for the needs of different worker groups. The scheme, which was first introduced at two centers in 1952 with an initial coverage of 1.20 lakh workers, as on March, 2014, the scheme applied to 6.70 lakh employers employing 1.95 crore insured persons at 815 centers. The Act is applicable to non-seasonal factories employing 10 or more persons. The Scheme has been extended to shops, hotels, and restaurants, cinemas including preview theatres, road-motor transport undertakings and newspaper establishments, Private Medical and Educational institutions employing 20 or more persons. Employees of the factories and establishments covered under the Act drawing monthly wages up to rupees. 21,000/- per month are covered under the scheme. The employers contribute 4.5% of the wages and employees contribute 1.75% of the wages which totals to 6.5% of the wages.

Social Security Schemes adopted by Employee State Insurance Corporation (ESIC):

The ESIC has adopted and extended six social security benefits to the insured persons under section 46 of the Act which are comprehensive and need based.

- (1) **Medical Benefit:** The Employees' State Insurance Scheme provides comprehensive medical care in the form of medical attendance, treatment, drugs and injections, specialist consultation and hospitalization to Insured Persons and also to their dependents. Medical care is also provided to retired and permanently disabled insured persons and their spouses on payment of a token annual premium of Rs. 120/- .
- (2) **Sickness Benefit:** Sickness Benefit in the form of cash compensation at the rate of 70 per cent of wages is 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 worker is required to contribute for 78 days in a contribution period of 6 months.
- (3) **Maternity Benefit :** Maternity Benefit for confinement/pregnancy is payable for three months, which is extendable by further one month on medical advice at the rate of full wage subject to contribution for 70 days in the preceding year.
- (4) **Disablement Benefit:** Temporary disablement benefit : From day one of entering insurable employment & irrespective of having paid any contribution in case of employment injury. Temporary Disablement Benefit at the rate of 90% of wage is payable so long as disability continues.

Permanent disablement benefit : The benefit is paid at the rate of 90% of wage in the form of monthly payment depending upon the extent of loss of earning capacity as certified by a Medical Board

- (4) **'Dependents Benefit :** It is paid at the rate of 90% of wage in the form of monthly payment to the dependents of a deceased Insured person in cases where death occurs due to employment injury or occupational hazards.
- (5) **Other Benefits:** Funeral Expenses: An amount of Rs.10, 000/- is payable to the dependents or to the person who performs last rites from day one of entering insurable employment.
Confinement Expenses: An Insured Women or an I.P.in respect of his wife in case confinement occurs at a place where necessary medical facilities under ESI Scheme are not available.

Review of Literature:

This study aims at identifying the problems faced by the beneficiaries in availing the benefits of ESI Scheme. Studies relating to the working of ESI Scheme were reviewed and are briefed as follows.

Shingade, Poonam. P., Madhavi.H (2016) conducted a cross sectional study on awareness and satisfaction about ESI Scheme among the beneficiaries of Gulbarga city. Awareness among beneficiaries of selected establishments about the ESI Corporation was studied which showed most of the beneficiaries were aware of their contribution to ESIC and medical benefits available to them, but had a poor knowledge about the cash benefits they are eligible for. The study concludes that low awareness has resulted in a low utilization of services provided under ESI Scheme.

Bidyut Bikash Baishya, Dipin Chakraborty and Ratan Borman (2015) held a study on the perception of insured persons as to delivery of ESIC services in Assam. The findings revealed that the insured persons are not satisfied with medical and cash benefits and still a lot more effort is needed to improve the ESI Schemes and make it a success.

Dr.B. Vijayachandran Pillai, M.Divya (2014) in their paper analyzed the awareness and satisfaction of ESI Scheme in Kerala. Service sector beneficiaries were taken up for the study. The study showed that the beneficiaries of educational Institutions were more aware of the scheme than the beneficiaries of shops and financing companies. It also says that the respondents preferred private hospitals rather than ESI Dispensaries or Hospitals as the ESI dispensaries/ hospitals were not functioning up to the expectation level of the insured persons.

Muthulakshmi.G (2014) in her paper has made an attempt to scrutinize the performance of Employee State Insurance Corporation with reference to Tuticorin District. The employees' perception on ESI hospitals was studied and rated with the help of a five point scale to

identify the satisfaction level. Significant differences are identified in sickness benefit, and medical benefits.

Dash U and Muraleedharan VR (2011) studied the health service utilization of the insured persons enrolled under ESI Scheme and its role in protecting against catastrophic health payments. The study displayed that ESI Scheme is not found to provide financial protection against the risk catastrophic payments, it's because majority of the beneficiaries are seeking medical care outside at a relatively high personal cost. The low service quality in the form of drugs and impolite personnel and lack of awareness of service procedures to avail the ESI benefits has reduced the priority to avail treatment in ESI Dispensaries and Hospitals.

Statement of Problem:

In the traditional Indian setup extended families have been giving their support in case of illness or other misfortunes. But the division of joint families and evolution of nuclear families have increased the risk on the working class against sickness and other contingencies. The ESIC, the social security legislation of India, covers low-earning employees providing them with basic healthcare and social security schemes. The government tries to improve the health and living conditions of the working class but the question arises whether the targeted consumer is getting a good service quality and this paper tries to identify the problems faced by the insured persons of Coimbatore district in availing the ESI benefits.

Objectives of the study:

This study has undertaken the following objectives:

1. To know the various social security Benefits provided under the ESI Scheme.
2. To identify the problems faced by the insured persons of Coimbatore District in availing the services of ESI Corporation.
3. To identify the problems faced by the insured persons of Coimbatore District in availing the Medical Benefits of ESI Corporation.

Methodology:

Profile of study area:

Coimbatore is one of the most industrialized cities in Tamil Nadu. It is known as the Manchester of the South India. This city is covered under ESI Corporation through a Sub Regional Office, which started functioning from January 1990. This Sub Region has jurisdiction over the districts of Coimbatore, Erode, Tirupur and Nilgiris. There are 20 Branch Offices functioning under the Coimbatore Sub Regional Office.

Research Design, Sample size and sample design:

The study is based both on primary and secondary data. Primary data are collected from fifty insured persons working in different establishments and factories and registered under the Branch Offices of ESIC, Coimbatore through questionnaire. Out of these only forty four responses proved to be valid. The survey data collected is analyzed with the help of Rank analysis regarding the problems faced in availing the services of ESIC and in availing the Medical benefits extended by ESI. Secondary data are collected through ESI publications, website, journals and periodicals.

Table 1: Demographic variables distribution of beneficiaries

| Sl.No | Demographic variables | Frequency | Percentage | |
|-------|-----------------------|---------------------|------------|----|
| 1 | Gender | Male | 27 | 61 |
| | | Female | 17 | 39 |
| 2 | Age | Below 35 years | 6 | 14 |
| | | 36 - 45 years | 15 | 34 |
| | | Above 46 years | 23 | 52 |
| 3 | Education | School level | 30 | 68 |
| | | Technical education | 6 | 14 |
| | | Under graduation | 5 | 11 |
| | | Post-graduation | 3 | 7 |
| 4 | Marital Status | Married | 38 | 86 |
| | | Unmarried | 6 | 14 |
| 5 | Monthly income | Below 5000 | 7 | 16 |
| | | 5000-10000 | 27 | 61 |
| | | Above 10000 | 10 | 23 |
| 6 | Nature of Employment | Temporary | 18 | 41 |
| | | Permanent | 26 | 59 |

Source: Survey data

The above table shows majority of the respondents (61%) are male; most of the respondents (52%) are more than 46 years of age. The analysis reveals that most of the respondents (68%) have only school level education, majority (86%) respondents are married, most of the respondents (61%) earn between 5000-10000 rupees per month. It is observed that most of the respondents have a permanent employment.

Table 2: Problems faced by the insured persons in availing the services of ESIC .

| Problems faced by the respondents | Rank 1 | Rank 2 | Rank 3 | Rank 4 | Rank 5 | Mean | Ranking |
|-----------------------------------|--------|--------|--------|--------|--------|--------|---------|
| Cumbersome formalities | 17 | 6 | 6 | 4 | 11 | 38.636 | 1 |
| Distant location | 8 | 6 | 7 | 9 | 12 | 27.273 | 5 |
| Unsuitable timing of dispensary | 10 | 10 | 4 | 14 | 4 | 31.818 | 4 |
| Prolonged waiting period | 5 | 16 | 11 | 5 | 7 | 36.364 | 2 |
| Behaviour of staff | 4 | 4 | 15 | 11 | 10 | 34.091 | 3 |

Source: Survey data

The above table illustrates the problems faced by the respondents in Coimbatore district in availing the ESI benefits. Majority of the respondents feel that the formalities followed in availing the ESI benefits is cumbersome with the highest mean score of 38.636. Prolonged waiting period, rude behaviour of the staff, and unsuitable timing of the dispensary are the subsequent problems faced by the respondents with a mean score of 36.364, 34.091 and 31.818 respectively. Distance of the dispensary/ hospital is ranked the fifth place with a mean score of 27.273.

Table: 3 Problems faced by the insured persons in availing the Medical Benefits

| Problems faced by the respondents | Rank 1 | Rank 2 | Rank 3 | Rank 4 | Rank 5 | Mean | Ranking |
|--|--------|--------|--------|--------|--------|--------|---------|
| Poor treatment quality | 1 | 4 | 7 | 10 | 22 | 50.000 | 5 |
| Poor diagnostic services | 20 | 12 | 9 | 2 | 1 | 45.455 | 1 |
| Unavailability of medicines | 7 | 15 | 10 | 11 | 1 | 34.091 | 2 |
| Poor quality of medicines | 1 | 2 | 9 | 15 | 17 | 34.091 | 4 |
| Delay in reimbursement of treatment amount | 15 | 5 | 11 | 6 | 7 | 25.000 | 3 |

Source: Survey data

The analysis shown above throws a light on the problems faced by the respondents of Coimbatore district in availing the medical benefits provided by the ESI Scheme. Poor diagnostic services are ranked first with a mean score of 45.455; unavailability of medicines is experienced as the second problem showing a mean score of 34.091. Delay in the reimbursement of treatment amount is ranked third among the respondents; poor quality of medicines and poor treatment quality are ranked fourth and fifth with mean of 34.091 and 50.000 respectively.

Suggestion:

This study discovers that the insured persons face a lot of problems in availing the benefits which is their right. Cumbersome formalities can be reduced and simplified so that the beneficiaries can make the utmost of what they deserve. Identifying their own record for consultation itself is a tedious process in almost all dispensaries. Computerization and use of smart cards will definitely redress the problem. Queue management system is a need of the hour to avoid prolonged waiting periods. Inadequacy of doctors and diagnostic services also lead to long waiting of the insured persons. Availability of medicines should be improved and the staff particularly in ESI hospital needs training to handle the patients empathetically. Prompt approval and disbursements of treatment amount will remove the agony of working class.

Conclusion:

ESI Corporation aims at uplifting the well-being and improving the standard of living among the working class who fall under a low income category. The working class cannot afford much to get quality medical treatment in today's scenario, the Corporation may take the above suggestions in to consideration to improve the service quality and redress the problems faced by the beneficiaries and make every

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