

Perception of Insured Persons on Esi Schemes



Management

KEYWORDS : ESI, Social Security, Perception, Insured Persons

K.Anandhi

Assistant Professor of Management Studies, Lady Doak College, Madurai

Dr.T. Sivagnanasithi

Assistant Professor of Commerce, Chikkanna Government Arts College, Tirupur – 641 02

ABSTRACT

Social security may generally be defined as protection provided by the society to its members. The present study has been undertaken to examine the performance of the Employees' State Insurance Corporation. More specifically, the study attempts to study the perception of employees on ESI hospitals in Dindigul. The efforts are to be made on the part of the Corporation to enhance the level of awareness among the insured persons about the ESI Scheme. The Corporation should also make sure that all the insured persons covered under the ESI Scheme are getting the printed educational material about the Scheme in a language known to them. The Corporation can adopt a policy whereby the insured persons can seek treatment from the hospitals of their choice, at least, in some cases requiring specialist care, ensuring reimbursement by the Corporation.

INTRODUCTION

Social security may generally be defined as protection provided by the society to its members against providential mishaps over which a man has no control. This protection is provided through proper organization. In western countries, the State and employers both generally provide it to the individual workers and as such the term 'social security' has come to be associated with them. Thus, social security is the security, which the society especially the State and the employers furnish through appropriate organizations to the individual members of the society who are exposed to certain risks.

The Employees' State Insurance Corporation is a statutory body established as per the provisions of the ESI Act, 1948, to administer and execute the ESI Scheme in the country. The Employees' State Insurance Act is a major legislation on social security for workers in independent India. The Employees' State Insurance Scheme as per the ESI Act provides social protection to employees in the organized sector and their dependents. The Scheme, engineered to suit health insurance requirements of employees, provides full medical care to insured persons and their dependents, as well as, cash benefits to compensate for loss of wages or of earning capacity in different contingencies.

The present study has been undertaken to examine the performance of the Employees' State Insurance Corporation. More specifically, the study attempts to study the perception of employees on ESI hospitals in Dindigul.

SELECTION OF SAMPLE

For selecting the respondents (insured persons) for the study, multistage sampling framework was followed. In the first stage, the enterprises were selected from the two branch offices in Dindigul and Palani of the ESI Corporation were selected. In the second stage, insured persons were selected from the sample enterprises.

SELECTION OF SAMPLE ENTERPRISES

The required numbers of enterprises for the study (60) were selected at random from the two branch offices, in the ratio of the total number of enterprises in the branch offices of Dindigul district. Thus, 36 enterprises from Dindigul branch office and 24 from Palani branch office were selected. The enterprises selected consist of both factories and establishments. They were selected in the ratio of the total number of the factories and the establishments in the respective branch offices. Thus, the enterprises selected consist of 38 factories and 22 establishments.

SELECTION OF SAMPLE INSURED PERSONS

20 per cent of insured persons from each of the sample enterprises were selected at random. The selected insured persons consisted of both males and females on the basis of the total number in each category. Thus, the selected 260 insured

persons consisted of 162 insured persons (115 males and 47 females) from 75 factories and 98 insured persons (62 males and 36 females) from 45 establishments.

COLLECTION OF DATA

Both primary and secondary data were used for the study. The primary data were collected from the respondents based on structured interview schedule. Discussions were also held with high-level officials of the ESI Corporation, the leaders of various trade unions and office bearers of the employers' association. The secondary data were collected from the publications of the ESI Corporation, reports, books and periodicals.

TOOLS OF ANALYSIS

The data collected were suitably classified and analyzed keeping in view the objectives of the study. For the purpose of analysis, statistical tools like averages, percentages and chi-square test were used. The chi-square test was applied to examine the significance of variation in the opinion among the respondents.

PERCEPTION OF EMPLOYEES

In this section, an attempt has been made to assess the perceptions of the insured persons regarding the performance of the Corporation under the ESI Scheme in Dindigul. The analysis has been made on the basis of certain variables.

AWARENESS OF THE ESI BENEFITS

The ESI benefits to be effective, first of all, there should have awareness among the insured persons about the various benefits provided by the Corporation under the ESI Scheme. Table 1.1 gives the perceptions of the insured persons as to the awareness of the ESI benefits.

Table 1.1 Awareness of the ESI Benefits as Perceived by the Insured Persons

Responses	Insured Persons					
	Factory		Establishment		Total	
	No.	Per cent	No	Per cent	No	Percent
Not at all Aware	14	8	10	10	24	9
Partly Aware	102	63	62	64	164	63
Fully Aware	47	29	25	26	72	28
Total	163	100	97	100	260	100

Table value at 95% confidence level for 2 d.f. = 5.99
Calculated value = 0.45

It is observed from the table that only 28 per cent of the insured persons were fully aware of the ESI benefits. 63 per cent were only partially aware of the benefits. There is not much difference in the level of awareness among the insured persons in factories

and establishments. As the calculated value is less than the table value, the null hypothesis “there is no significant difference in the level of awareness among the insured persons in factories and establishments” is accepted. It is statistically found that there is no significant difference among the insured persons in factories and establishments with regard to the level of awareness about ESI schemes. The insured persons who are partially aware of the ESI benefits revealed that they were aware mainly of medical benefit and sickness benefit.

KNOWLEDGE ABOUT THE FORMALITIES FOR CLAIM

There are a number of formalities for claiming the benefits under the ESI Scheme. An insured person and his family members who are entitled to medical care are required to select the dispensary from where they would like to have medical care as the dispensary is the first point of reference. Reference to ESI and other hospitals or recognized laboratories are made only if the required facilities are not available in the dispensary. Without the reference slips, hospitals and laboratories will not entertain the patient. Similarly, admission in an ESI hospital for indoor treatment is also based upon the reference slip of the dispensary.

The Corporation provides the benefits to the insured persons who are eligible for the benefits and have applied for the benefits complying with the formalities. Their lack of knowledge about the formalities causes delay in availing of the benefit or even cannot avail of the benefit at all. The employers should also have knowledge, without which they cannot help the insured persons to avail of the benefits.

Table 1.2 shows the opinion of the insured persons as to the knowledge about the formalities for claiming benefits under the ESI Scheme.

Table 1.2 Knowledge about the Formalities for Claiming the ESI Benefits as Perceived by the Insured Persons

Responses	Insured Persons					
	Factory		Establishment		Total	
	No.	Per cent	No	Per cent	No	Per cent
Fully Aware	33	20	14	15	47	18
Partly Aware	93	58	46	47	139	54
Not at all aware	37	22	37	38	74	28
Total	163	100	97	100	260	100

**Table value at 95% confidence level for 2 d.f. = 5.9
Calculated value = 7.29**

Table 1.2 reflects that out of the 260 insured persons selected for the study, only 18 per cent were fully aware. 28 per cent were not at all aware and the remaining (54 per cent) were only partially aware of the formalities for claiming the benefits. As the calculated value is more than the table value, the null hypothesis “there is no significant difference in the knowledge about formalities for claiming benefits under the ESI Scheme among the insured persons in factories and establishments” is rejected. It is statistically found that there is a significant difference in the knowledge about formalities for claiming benefits under the ESI Scheme among the insured persons in factories and establishments.

QUALITY OF MEDICAL BENEFIT

Under the ESI Scheme, the Corporation provides the medical benefit to the insured persons and their dependents in the form

of medical care. An insured person and his/her dependents become entitled to medical care from the date he/she enters in the insurable employment and the entitlement continues as long as the insured person is in insurable employment. All insured persons and their dependents are entitled to free, full and comprehensive medical care under the ESI Scheme. The package covers all aspects of health care from primary to super-specialist facilities. Whereas, the primary, outpatient, in-patient and specialist services are provided through a network of ESI dispensaries and hospitals; Super specialty services are provided through a large number of empanelled medical institutions on referral basis.

Since the medical benefit is the kingpin of the ESI benefits, the effectiveness of the benefits under the ESI scheme can best be judged by the quality of medical benefit (medical care) provided to the insured persons and their dependents. The quality of the medical care provided by the Corporation under the ESI Scheme has been studied by analyzing the following factors.

In the study, an enquiry was made among the insured persons about the institutional preference for treatment when they are sick. Their responses are given in Table 1.3.

Table 1.3 Institutional Preference for Treatment by the Insured Persons

Responses	Insured Persons					
	Factory		Establishment		Total	
	No.	Per cent	No	Percent	No	Per cent
ESI Dispensary	112	69	88	90	200	78
Govt. Hospital	8	5	4	4	12	4
Private Hospital	43	26	5	6	48	18
Total	163	100	97	100	260	100

**Table value at 95% confidence level for 2 d.f. = 5.99
Calculated value = 18.75**

It is found that 69 per cent of the insured persons in factories and 90 per cent in establishments prefer ESI dispensaries for treatment (78 per cent of the total). But 26 per cent of the insured persons in factories and 6 per cent in establishments prefer private hospitals (18 per cent of the total). A few numbers of insured persons (only 4 per cent) prefer Government hospital also.

As the calculated value is more than the table value, the null hypothesis “there is no significant difference among the insured persons in factories and establishments as to the institutional preference for treatment” is rejected. It is statistically found that there is a significant difference among the insured persons in factories and establishments as to the institutional preference for treatment.

CONCLUSION

The efforts are to be made on the part of the Corporation to enhance the level of awareness among the insured persons about the ESI Scheme. The Corporation should also make sure that all the insured persons covered under the ESI Scheme are getting the printed educational material about the Scheme in a language known to them. Besides the print media, the Corporation can also consider press publicity, electronic media, seminars and workshops in this regard. The Corporation can adopt a policy whereby the insured persons can seek treatment from the hospitals of their choice, at least, in some cases requiring specialist care, ensuring reimbursement by the Corporation.

REFERENCE

i) K.D.Srivastava, Employees' State Insurance Act 1948, Eastern Book Company, Lucknow, 2003, pp. 26-29. | ii) Jiwitesh Kumar Singh, Labour Economics-Principles, Problems and Practices, Deep and Deep Publication, New Delhi, 1998,p.425. | iii) G. Ramanujam, "ESI Scheme a Waste, Fear Junior Executives", The Indian Express, Vol.128, October 13, 1996. | iv) K.D.Srivastava, Employees' State Insurance Act 1948, Eastern Book Company, Lucknow, 2003. | v) S.K.Sharma, Employer's Guide, Employees' State Insurance Corporation, New Delhi, 2001. |