

## **Employees Problems in Utilizing ESI Benefits- As Special Reference to Erode District of Tamilnadu**

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**Abstract:** *Employees State Insurance Scheme of India is a multidimensional social security system tailored to provide socio economic protection to working population and their dependants covered under the scheme. Besides, full medical care for self and dependents, that is admissible from day one of insurable employment, The insured persons are also entitled to a variety of cash benefits in times of physical distress due to sickness, temporary or permanent disablement etc., resulting in loss of earning capacity, the confinement in respect of insured women, dependants of insured persons who die in industrial accidents or because of employment injury or occupational hazard are entitled to a monthly pension called the dependents benefit. This study also analysis employee's problems in utilizing ESI Benefit in Erode District of Tamilnadu.*

### **Introduction**

Social Security has now become a fact of life for millions of people throughout the world. It is a major aspect of public policy and the extent of its prevalence is a measure of the progress made by the country towards the ideal of a welfare state. The International Labour Organization (1942) defines social security as “the security that the society furnishes, through appropriate organizations, against certain risks to which its members are exposed. These risks are essentially contingencies against which the individual of small means and meager resources cannot effectively provide by his own ability. These risks are sickness, maternity, invalidity, old age and death. It is the characteristics of these contingencies that they imperil the ability of the working man to support himself and his dependents for health and decency.”

India's population, mainly consisting of middle and low-income groups, necessitate the provision of social security, although their capacities to pay insurance premiums are very low. In India, only 3% of population is covered under some form of health insurance, either social or private.

In India, a good majority of the workforce is devoid of any formal social security protection. There is a dearth of formal social security protection i.e. either a contribution based social insurance scheme or tax/cess based social security benefits. This is a major challenge to the existing social security systems that have evolved in the last century. Security and institutional support are required by all persons in order to face difficulties and to mitigate hardships in the event of losses due to sickness, injury, loss of income and inability to work.

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### Employees State Insurance in India

Employees State Insurance Scheme of India is a multidimensional social security system tailored to provide socio economic protection to working population and their dependants covered under the scheme. Besides, full medical care for self and dependants, that is admissible from day one of insurable employment, The insured persons are also entitled to a variety of cash benefits in times of physical distress due to sickness, temporary or permanent disablement etc., resulting in loss of earning capacity, the confinement in respect of insured women, dependants of insured persons who die in industrial accidents or because of employment injury or occupational hazard are entitled to a monthly pension called the dependants benefit.

The Employees' State Insurance (ESI) Scheme is more relevant because this was the first social insurance measures introduced in India and is executed and administered through Employees State Insurance Corporation (ESIC). ESI Scheme of India is a major multi-dimensional social insurance programme that has over the last six decades emerged with its phenomenal growth in terms of geographical reach, demographic coverage, multi-faceted services and an infrastructure that has no parallel. Despite the entire Endeavour's made by the Corporation for the effective functioning of the ESI Scheme in the country, public discernment of the Corporation has not been very positive. The insured persons often allege that the Corporation has not given any regard for the quality of services and benefits provided to the beneficiaries and their dependents.

**Table 1: Overall Growth Trends of ESI**

Years	No. of Implemented Centers	No. of insured persons (in lakhs)	No. of beneficiaries (in lakhs)	No. of employees covered under the ESI Scheme	No. of ESI Dispensaries Ism unit	No. of ESI IMOs / IMPs	No of factories established covered
2006	728	315.22	92.72	85.67	8324	1298	300344
2007	737	394.11	101.57	92.38	8832	1388	331744
2008	773	468.33	120.7	111.8	7099	1397	352508
2009	783	501.97	129.37	125.69	8748	1432	394332
2010	787	554.84	143	138.96	8841	1486	406499
2011	790	602.57	155.3	154.28	8902	1496	443010
2012	807	663.52	171.01	163.49	8720	1463	580028
2013	810	720.98	185.82	165.04	9182	1511	666161
2014	815	758.44	195.47	174.12	8780	1558	669880
2015	830	789.34	203.44	179.55	8828	1647	723756
<b>Mean</b>	<b>786</b>	<b>576.932</b>	<b>149.84</b>	<b>139.098</b>	<b>8625.6</b>	<b>1467.6</b>	<b>486826.2</b>
<b>SD</b>	<b>32.92</b>	<b>158.74</b>	<b>38.92</b>	<b>33.87</b>	<b>575.92</b>	<b>97.04</b>	<b>157863.14</b>
<b>CV</b>	<b>4.19</b>	<b>27.51</b>	<b>25.98</b>	<b>24.35</b>	<b>6.68</b>	<b>6.61</b>	<b>32.43</b>
<b>CGR</b>	<b>1.32</b>	<b>9.61</b>	<b>8.17</b>	<b>7.68</b>	<b>0.59</b>	<b>2.41</b>	<b>9.19</b>
<b>AGR</b>	<b>1.33</b>	<b>9.05</b>	<b>8.56</b>	<b>7.90</b>	<b>1.02</b>	<b>2.07</b>	<b>10.38</b>

**Source:** compiled from annual report of ESIC, 2006 to 2015

On the basis of overall period the mean value of number of insured persons 576.932, number of beneficiaries 149.84, number of dispensaries 8625.6, number of factory established 486826.2, number of implement centre 786. The CGR values were 9.61, 8.17, 7.68, 2.41, 9.19 and 1.32. AGR values are 9.05, 8.56, 7.90, 2.07, 10.38 and 1.33 respectively.

When compare to period I and period II, period II values shows an increasing trend. It may be due to number of employees, dispensaries, beneficiaries are increased.

**Objectives**

1. To Study the functioning of ESI Corporation
2. To Identify the common Problems Faced by the employees registered in ESI Corporation

**Methodology**

First had information was collected from 400 employees registered in ESIC. Questionnaire was the main tool employed to collect the pertinent data from primary sources.

**Henry Garrett Ranking**

Henry Garrett Ranking technique was used to rank out the purpose of savings in SHGs by the members and the problems faced by the members. In this method the respondents were asked to rank the purpose of savings and given problems. The order of merit given by the respondents were converted into ranks by using the following formula

$$\text{Percentage Position} = \frac{100(R_{ij} - 0.5)}{N_j}$$

Where  $R_{ij}$  = Rank given for  $i^{\text{th}}$  factor by  $j^{\text{th}}$  individual.  
 $N_j$  = Number of factors ranked by  $j^{\text{th}}$  individual.

The percentage position of each rank thus obtained is converted into scores by referring to the table given by Henry Garret. Then for each factor, the scores of individual respondents are added together and divided by the total number of respondents for whom scores were added. These mean scores for all the factors are arranged in the descending order, ranks are given and most important problems are identified.

**Problems faced by the insured person’s use of ESI dispensary**

In this chapter, the researched made and attempt to indentify the common problems faced in the insured persons for the use of ESI dispensary. They are lack of doctors, lack of medicines and other facilities for treatment, lack of confidence, misbehaviour of supporting staff, intentionally delaying, timing issues for o.p, Far distance from bus stop and other reasons specify. The insured persons were asked to rank the problems based on the magnitude of the problem. Henry Garret ranking was employed to ascertain the problems. They details of the Henry Garret ranking are furnished in the following table.

**Table 2: Problem Faced by the Insured Person’s Use of ESI Dispensary**

S. No	Items	Weighted Score	Rank
1	Lack of doctors	10680	2
2	Lack of medicines and other facilities for treatment	10850	1
3	Lack of confidence	8676	4
4	Misbehaviour of supporting staff	9585	3
5	Intentionally delaying	6088	6
6	Timing issues for o.p	6285	5
7	Far distance from bus stop	4656	7
8	Other reasons Specify	2207	8

**Source: Primary data**

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It is highlighted from the above table that out of 8 problems, “Lack of medicines and other facilities for treatment” was ranked first with a Garrett score of 10850 points. The problems such as lack of doctors, misbehaviour of supporting staff and lack of confidence were ranked in the second, third and fourth places with the Garrett score of 10680, 9585 and 8676 points respectively. On the other hand, the problems such as timing issues for intentionally delaying and far distance from the bus stop ranked in the fifth, Sixth & Seventh place with the Garrett scores of 6285, 6088 and 4656 points respectively. Lastly, others reasons specify was ranked in the last with the Garrett score of 2207 points.

### **Insured Persons Opinion On After Retirement Reasons For Not Using the Medical Benefit Scheme**

The researcher made an attempt to identify the common problem faced with the ESI dispensaries and also want to know the reasons for not continue after retirement in the medical benefit scheme of the corporation. The insured person not willing to continue after retirement has expressed the problems. Such problems are ranked by using Henry Garrett ranking to ascertain the magnitude of the problem. The details of the Henry Garrett ranking are furnished in the following table.

**Table 3: Insured Persons Opinion On After Retirement Not Using the Medical Benefit Scheme**

S. No	Items	Weighted Score	Rank
1	Poor Medical Care	848	1
2	High Amount of Contribution	505	3
3	Poor Attention After Retirement	813	2
4	Poor Confidence	470	4
5	Other Reason	276	5

**Source: Primary data**

It is highlighted from above table that out of 5 reasons, Poor medical care and poor attention after retirement was ranked first and second with a Garrett score of 848 and 813 points. The reason such as high amount of contribution and poor confidence were ranked in third and fourth places with the Garrett score of 505 and 470 points respectively. Lastly other reason was ranked in the last with the Garrett score of 276 point. From the analysis it is inferred that the respondent's poor medical care, poor attention after retirement and high amount of contribution were ranked as the most burning issues.

### **Summary of Findings**

#### **Socio Economic Background:**

- From the analysis, it is concluded that 52.2% of the respondents were belonged to male category.
- From the analysis, it is inferred that 65.20% of the respondents belonged to the age group between 25- 35 years.
- Education qualification of the respondents was studied and it is found that 43.5% of the respondents' literacy level was degree level.
- Marital status of the respondents reveals that 64% of the respondents were single and the remaining were married.

- From the analysis, it is found that 70.2% of respondents religion was Hindu religion and the remaining belonged to Christians and Muslims.
- From the analysis, it is inferred that the 55.75% of the respondents belonged to backward community.

### **Henry Garrett Ranking**

- From the analysis, it is inferred that lack of medicines and other facilities for treatment, Lack of doctors and misbehavior of supporting staff were ranked as the most burning problems faced by insured persons from ESI dispensaries.
- From the analysis, it is inferred that Poor medical care and poor attention after retirement was ranked first in medical benefit scheme.

### **Suggestions**

- Enhance the awareness among the insured persons and the employers about ESI scheme.
- Activate grievance handling mechanism to address effectively and efficiently.
- Regarding health care service delivery impose quality in terms of services of doctors, availability of quality medicines, adequate laboratory testing facilities. At least in some cases, specialist care should be provided with reimbursement facilities is regard to some diseases, at their choice hospitals where the insured persons seek at treatment.
- Trained personnel working in ESIC have to deal with their client very sensitively as they visit ESIC for service with some expectations.
- Improve function of various boards like regional board, local board and departments like inspectorate, employment state insurance court etc. to develop better co-ordination among various stake holders and expedite settlement of cash benefit.

### **Conclusion**

Though India has developed into a force to reckon with in the fields of science and technology, industrial development, education, information technology, communication etc., the same level of achievements cannot be claimed as in the area of social security measures under health insurance.

Though our country has reached commendable level of advancement in the field of medicine and surgery, the facilities have not yet reached many of the rural workers and poor due to the exorbitant charges needed for such facilities. This state can very easily be removed and the rural poor are enabled to attain the rich treatment by way of every citizen by registering under Employees State Insurance (ESIs)

The study is a challenging task in the sense that, in addition to indentifying the awareness ESI and schemes, utilization of ESI dispensaries, it has also covers the problems encountered from the use of ESI dispensaries. This has enabled satisfaction of medical, maternity, cash benefits and schemes. Further to the employer and ESI Corporation services to the insured persons. Another awareness of ESI courts and graveness and redress cell mechanism is also attempted in this study.

The present research is a rewarding exercise to the scholar and the researcher will delighted if the suggestions are incorporated by the policy makers in ESI corporations and the

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government to reach the good medical faculties for the poor employees working in the rural areas through establishing more number of dispensaries and hospitals.

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