

**GOVERNMENT OF INDIA  
LABOUR AND EMPLOYMENT  
LOK SABHA**

UNSTARRED QUESTION NO:3673  
ANSWERED ON:16.08.2010  
CONTROL ON ESIC  
Bavalia Shri Kuvarjibhai Mohanbhai

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

(a) whether the services by Employees State Insurance Corporation (ESIC) are not being provided properly due to dual control of both the State and Union Governments; and

(b) if so, the details thereof alongwith the remedial steps proposed to be taken in this regard?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF LABOUR AND EMPLOYMENT (SHRI HARISH RAWAT)

(a) & (b): Dual control of both the State and the Union Government of the ESIC Scheme affect the services due to the following difficulties:

# Delay in release of funds by the State Govt. to ESI Hospitals and dispensaries.

# Funds available to the State Govt. are not fully utilized.

# Delayed decision making at State Govt. level.

# Delay/non filling of vacancies of medical & Para-medical staff.

# Non-availability of equipments in State ESI Hospitals & Dispensaries.

# Non implementation/extension of ESI Scheme in new areas.

To over come the difficulties arising out of duality of control, ESI Corporation has taken following action:

(a) REVOLVING FUND SCHEME: - To cut down delays in provision of super specialty treatment, supply of drugs and dressings and repair & maintenance of equipments, ESIC has set up revolving fund with the consent of state government. Under this scheme the payment is made by ESIC against the valid sanction of the state government out of the money kept with the State Medical Commissioner office of ESI Corporation.

(i) MODEL HOSPITAL SCHEME: The ESI Corporation has taken a decision to set up one hospital in each State as Model Hospital. At present, the ESI Corporation has set up Model Hospitals in 18 States. These hospitals are being up- graded as per norms and standards laid down by ESI Corporation. The expenditure on Model Hospitals is fully borne by ESI Corporation.

(ii) RUNNING OF ESI MEDICAL SCHEME DIRECTLY IN NEW GEOGRAPHICAL AREAS: Implementation of ESI Scheme in new areas directly by ESI Corporation in new geographical areas.

(iii) TAKING OVER OF ESI MEDICAL SCHEME IN THE STATES BY ESI CORPORATION: ESI Corporation in its 136th meeting held on 15.6.06 decided to take over the administration of medical scheme from the States who are willing to hand over the Scheme to ESI Corporation under Section 59 of ESI Act, 1948. Accordingly, a letter has been sent to Chief Secretaries of all the States intimating the decision of the Corporation and requesting them to give their consent for handing over ESI Scheme in their State to ESI Corporation. In response 4 states i.e. M.P., Bihar, H.P. & Meghalaya have given their consent for handing over ESI Scheme to ESI Corporation.