

# A STUDY OF THE ISSUES CONFRONTING ESI REGISTERED EMPLOYEES, WITH SPECIAL REFERENCE TO COIMBATORE CITY

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## ABSTRACT

*ESI scheme is a very large social security network. The scheme encompasses basic economic risks namely health, sickness, disability, death, and maternity. For workers to safeguard their social life, the idea of ESI is very useful. ESI provides the covered workers in the worker classes with more incentives. This analysis aims to examine the problems associated with the series and the medical problems and to provide appropriate suggestions for the effective provision of the services covered by the ESI. By using different statistical methods through SPSS software, the research paper is to find out the issues faced by the ESI-insured employees.*

**Keywords:** ESI, Service, Medical Benefits, problems.

## 1. INTRODUCTION

The State Insurance Corporation of Employees (ESIC) is a government agency that manages the State Insurance of Employees (ESI) system. The system provides the workers and their families with care and financial support. Assistance is provided when an employee is unable to fulfill his duties because of illness, injury to work, or maternity. As per the Workers' State Insurance Act, 1948, ESI is a social security scheme provided by the Government of India. The system gives staff insurance from disability/death

due to work injuries, sickness, and maternity. Employees must be registered in the programme to obtain medical insurance and other benefits. Due to health problems, the financial assistance offered by the programme can compensate for the lack of salaries of the employees. ESI shall refer to any company hiring ten or more individuals, such as supermarkets, hotels, and restaurants not engaged in the manufacture of merchandise, cinemas, road transport establishments, newspaper establishments, private institutions of education, and medical care. The minimum number of workers needed to subscribe to the ESI scheme varies. Employees with a monthly wage of Rs.21, 000 have the right to benefit from the programme. Workers working for factories/establishments with ten or more employees receiving a salary of up to Rs.21, 000 a month are eligible under the ESI Act to obtain health insurance. In the case of daily average incomes of Rs.137, exemptions to the law exist. They may not have to donate their salaries to the system. For certain individuals, only the employer's contribution is paid.

**Health Benefits:** By offering fair medical coverage, the Employee State Insurance Corporation takes care of the medical costs of a person. This cover falls into force from day one of the jobs of the employee.

**Disability Benefit:** If an employee is injured, ESIC guarantees that their annual pay is charged to the

employee for the duration of the accident in the event of a temporary disability or the duration of the injury.

**Maternity Benefit:** ESIC makes an employee introduce their infant to a benefit-showered home. In general, ESIC pays 100% of the normal monthly earnings over up to 26 weeks from the time of work and 6 weeks in the event of a miscarriage. In the event of an adoption, 12 weeks of pay is given.

**Sickness benefit:** ESIC guarantees that after sick leave there is a supply of cash flowing into the household of the employee. During sick leave, 70 percent of an employee's regular monthly earnings are charged over a cumulative duration of 91 days with two consecutive benefit terms.

**Unemployment allowance:** ESI shall issue a recurring cash allowance for a period not exceeding 24 months in the event of permanent disability as a result of non-employment illness or compulsory loss of employment.

#### **Area of the study:**

The study mainly focuses on employees' awareness and effective utilization of ESI benefits with special reference to Coimbatore city.

#### **Tools used for analysis:**

The survey data collected is analyzed with the help of Percentage, Weighted Ranking, and Garrett Ranking technique regarding the problems faced on services and medical benefits problems on ESI.

### **3. REVIEW OF LITERATURE**

**D.Sasikala (2017)** in this study discovers that the insured persons face a lot of problems in availing the benefits which are their right. Cumbersome formalities can be reduced and simplified so that the beneficiaries can make the utmost of what they deserve. Identifying their record for the consultation itself is a tedious process in almost all dispensaries.

**Dependent's benefit:** ESIC will have monthly compensation spread to the remaining dependents in case the employee suffers an untimely death due to an illness at the place of work.

## **2. RESEARCH METHODOLOGY**

#### **Research design:**

Descriptive research

#### **Source of data:**

This study is based on both primary and secondary data. Primary data is collected from hundred insured persons working in different establishments and factories and registered under the branch offices of ESIC, Coimbatore through a Questionnaire. This study was undertaken for 2 months i.e August (2021) to September (2021)

Computerization and the use of smart cards will redress the problem. The 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 the training to handle the patients empathetically. Prompt approval and disbursements of treatment amount will remove the agony of the working class.

**G.Muthulakshmi (2014)** conducted a study on the performance of the Employees state insurance scheme with special reference to Tuticorin district, Tamilnadu. The study scrutinizes the performance of ESI Corporation and also the perception of employees on ESI hospitals. The primary data were analyzed with the help of various statistical measures such as simple percentage analysis, Averages, F-statistic, Chi-square test, Garrett ranking, and percentage analysis. The study found out that ESI dispensaries/hospitals were not functioning up to the satisfaction of insured persons. The study also reveals the scope to improve

its functions and turn into a highly trustful and reliable corporation, implementing better services.

Dash U (2011) in their paper analyzes overall trends in utilization and the number of beneficiaries of ESIS over some time. In this study, they tried to assess the utilization pattern of ESI facilities and to what extent the ESI scheme helps to protect the beneficiaries from catastrophic health expenditure. The study shows that the overall utilization level is very low due to, perceived low-quality drugs, long waiting periods, the insolence of personnel, long waiting spells to unusual delays in reimbursement of money spent on treatment outside, lack of or low interest of employers, and low awareness of ESI procedures.

Sharma, A.K., (1997) revealed that overall satisfaction of beneficiaries from ESI dispensary services was only 45 percent. Sixty percent of employers felt that their employees were not satisfied

with ESI services. Dissatisfaction from various services provided at the dispensary level was among more than 50 percent of dispensary doctors. Even the administrators agreed with most of the problems reported.

#### 4. OBJECTIVES

1. To identify the demographic profile of the responders.
2. To recognize the challenges that ESI-insured individuals confront when it comes to medical benefits.
3. To identify service-related concerns that ESI-covered individuals are facing.

TABLE 1: SHOWS THE DEMOGRAPHIC PROFILE OF THE RESPONDENTS

S. No	Variables	Options	No. Of Respondents	Percentage
1.	Age	Below 25 years	13	13%
		25-35 years	14	14%
		35-45 years	37	37%
		Above 45 years	36	36%
		<b>TOTAL</b>	<b>100</b>	<b>100%</b>
2.	Gender	Male	65	65%
		Female	35	35%
		<b>TOTAL</b>	<b>100</b>	<b>100%</b>
3.	Marital status	Married	68	68%
		Unmarried	32	32%
		<b>TOTAL</b>	<b>100</b>	<b>100%</b>
4.	No of Family	2 members	15	15%

	<b>members</b>	4 members	43	43%
		4-6 members	33	33%
		Above6 members	9	9%
		<b>TOTAL</b>	<b>100</b>	<b>100%</b>
<b>5.</b>	<b>Education qualification</b>	Higher secondary	23	23%
		Under graduation	43	43%
		Post-graduation	14	14%
		Diploma and others	20	20%
		<b>TOTAL</b>	<b>100</b>	<b>100%</b>
<b>6.</b>	<b>Monthly Income</b>	3000- 5001	12	12%
		5001- 7500	19	19%
		7501-10000	27	27%
		Above 10,000	42	42%
		<b>TOTAL</b>	<b>100</b>	<b>100%</b>

Source (primary data)

### Interpretation

From the above table, it shows that majority of the respondents are under the age group of 35-45 years, majority 65 % of the respondents are male, the majority 68% of the respondents are married, the majority 43% of the respondents family member are 4, majority 43% of the respondents are under graduation, majority 42% of the respondent's monthly income is above 10,000.

**TABLE 2: SHOWS THE CHALLENGES THAT ESI-INSURED INDIVIDUALS CONFRONT WHEN IT COMES TO MEDICAL BENEFITS.**

S.no	Factors	1	2	3	4	5	Total	Rank
1	Inadequate treatment quality.	160	60	60	30	18	328	1
2	Week facilities in diagnosis	80	64	63	50	22	279	5
3	Medications are in short supply	100	76	48	42	24	290	3
4	Bad quality of drugs	75	116	60	20	16	287	4
5	Compensations for short-term care.	85	84	69	38	20	296	2

Source (primary data)

### Interpretation:

From the above table, it shows that poor quality of treatment is ranked first and temporary care compensation is ranked second and medicines are scarce are ranked third and medicines of low quality are ranked fourth and week facilities are ranked fifth.

**TABLE 3: THIS SHOWS SERVICE-RELATED CONCERNS THAT ESI-COVERED INDIVIDUALS ARE FACING.**

S. no	Variables	Total score	Mean score	Rank	Source (primary data)
1	Complicated Formalities	4739	47.39	4	
2	Remote Rental	4689	46.89	5	
3	Unstable dispensary schedule	5114	51.14	1	
4	Extensive waiting time	4895	48.95	2	
5	Personnel behavior	4857	48.57	3	

**Interpretation:**

The following table shows that 'unstable dispensary schedule' was ranked first with the total score of 5114 and the mean score of 51.14,'Extensive waiting time' was ranked second with a total score of 4895, and the mean score 48.95,'personal behavior' was ranked third with the total score of 4857 and mean score of 48.57,'complicated formalities' as ranked fourth with the total score of 4739 and the mean score 47.39,'Remote Rental' is ranked fifth with the total score of 4689 and mean score of 46.89

**Conclusion**

According to the findings of this study, insured individuals face numerous challenges in receiving the benefits to which they are entitled. Inadequacy of doctors and diagnostic services also results in long wait times for insured people. Staff at ESI hospital, in particular, requires training to interact with patients in an empathic manner. Complicated formalities can be reduced and simplified so that beneficiaries can get the most out of their entitlements. In addition, the quality and quantity of medicines should be improved.

The mission of the ESI Corporation is to improve the well-being and level of living of the working class who are low-income. In today's environment, where the working class cannot afford to pay much for quality medical treatment, the Corporation may take the above proposals into account to improve service quality, address challenges experienced by beneficiaries, and ensure that every insured person is treated fairly.

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