

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

UNSTARRED QUESTION NO:3489
ANSWERED ON:18.04.2005
EXPENSES ON ESIS
Singh Shri Chandrabhan Bhaiya

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

- (a) the criteria for the reimbursement of expenses incurred by the State-Governments on the Employees State Insurance Scheme;
- (b) whether keeping in view of the financial condition of the states any discussion has been held in the Board of Trustees meeting of the Employees State Insurance Corporation on the reimbursement of expenses incurred over the prescribed ceiling to the State Governments;
- (c) if so, the result thereof;
- (d) whether the Union Government would reimburse to the State Governments the whole expenses; and
- (e) if so, the details thereof?

Answer

MINISTER OF LABOUR AND EMPLOYMENT (SHRI K. CHANDRASEKHAR RAO)

(a): As per the provisions of Section 58 of ESI Act, 1948 medical care is being provided by the State Governments except in Delhi and Noida. The expenditure in this regard is shared between ESI Corporation and the State Governments in the ration of 7:1 subject to a ceiling. ESI Corporation pays 90% of its share in advance in four quarterly installments. The quantum given to the States is calculated on the basis of actual expenditure of the State Governments and the approved number of Insured Persons subject to a ceiling fixed by the ESI Corporation from time to time. The full and final payment is released on receipt of the Audit Certificate issued by the Auditor General of the concerned State.

(b) & (c): A meeting of the Corporation was held on 27.02.2005 to discuss general issues for improvement of medical services in ESI Scheme, wherein this issue came up for consideration. The ceiling for medical reimbursement to the State Governments are regularly revised and this is an ongoing process.

(d): No, Sir.

(e): Does not arise in view of (d) above.