CHAPTER VI

OBSERVATIONS AND SUGGESTIONS

The E.S.I. Scheme has now been in operation for twenty five years. It celebrated its Silver Jubilee all over the country in February 1977. A study of the foregoing chapters and a critical review of the 'Administration of Benefits' under the Scheme in various States brings to light many points on which one may be inclined to comment. In recent weeks, there has been increasing manifestation of discontent among all sectors covered by the Employees' State Insurance Scheme, be they the insured medical practitioners or the insured industrial workers, and it is this discontent that has been making news and headlines in the current Silver Jubilee year of the Scheme itself. The more vociferous ones have been the IMPs or the Insured Medical Practitioners who have been clamouring for an increase in their capitation fees, overhauling of the process of disentitlement of insured employees and deletion of the emergency clause 13 (2). They also seek adequate representation at all levels of E.S.I.S. administration. During Nov. 1977 the insured medical practitioners received a fresh boost from the Indian Medical Association (Maharashtra Branch) whose plenary session wholeheartedly supported the IMPs demands and called on the Government and the E.S.I. Corporation to concede the same 

"immediately".

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It has been observed that the E.S.I.S. doctors have been virtually on a 'warpath' ever since the state Government widened the scope of the Scheme and extended it, a couple of years ago, to cover all industrial employees drawing upto Rs.1,000 per month. With one stroke of the pen, as it were, the Government by this measure not only extended the benefits of cheap medicine and medical treatment to a large category of middle-class employees and their families but also increased the work-load of the IMPS who, till then, used to get along quite happily and comfortably with the substantial monthly income brought to them by the insured industrial workers. This is not to say that all insured industrial workers take recourse to an E.S.I.S. doctor or E.S.I.S. Hospital if any one of them or their families fall ill. Those who can afford to, still take recourse to private doctors or private clinics and general medical practitioners. But, there is no doubt, a large number of the insured industrial fraternity do take recourse to E.S.I.S. facilities, such as they are. And, in quite a number of cases, one experience of E.S.I.S. is sufficient to the insured worker to take his own steps in any future contingencies of ill-health and sickness.

The Employees' State Insurance Scheme, the first of its kind to be introduced anywhere in the country, took its birth in the old state of Bombay on February 24, 1952 and,
thus, in February 1977. E.S.I.S. celebrated its Silver Jubilee. When it was first introduced, in the face of stiff opposition from the medical fraternity, it was hailed by all political parties and particularly the trade unions as a far-reaching social scheme for the health and well-being of the poor industrial workers who could not afford costly treatment. Its symbol was "Pancha-deep" or the lamp with five flames and each of these 'flames' stood for the objectives of the Scheme itself, namely, assistance in times of sickness, confinement, disablement, medical care and treatment. Any review of the progress registered by the E.S.I.S. over the past 25 years of its existence will, naturally, be based on the performance of the Scheme on these five fronts. To-day, the Employees' State Insurance Scheme covers a total of 14.11 lakhs of industrial workers (as against a little over eight lakhs only a couple of years ago), and their families. Of this number, over 11 lakhs of workers are from the Bombay-Thane industrial belt alone. Even if one were to take each worker-unit to represent a family of three, it would mean that the E.S.I.S. today covers nearly 35 lakhs of people—which makes for a sizable figure indeed. This would also mean roughly half the population of Greater Bombay. The Employees State Insurance Corporation has constructed a network of hospitals for the insured workers, notably the Mahatma Gandhi Memorial Hospital at Parel with 800 beds, at Worli with 400
beds, Mulund with 600 beds, Andheri 600, Vashi 600 beds, Ulhasnagar 100, Nagpur 150 beds, Aundh 400 beds. The E.S.I.C. also operates 15 insurance medical centres to attend to minor ailments of the insured workers.

In addition to all these facilities, the E.S.I.C. also has what are known as panel doctors, or the insured medical practitioners the IMPs whose number stands at 2,250 in Greater Bombay and 350 in Pune. Only West Bengal has such a system of panel doctors in operation for the benefit of the industrial workers. All these figures, no doubt, make for impressive reading but the commonest complaint one hears from the insured worker who pays out Rs. 15 to Rs. 18 per month from his salary for his E.S.I.S. benefits is that he does not derive his money's worth from the Scheme. Only a very small percentage of the insured workers or their families need hospitalisation and the vast majority usually take recourse to the medical centres or the panel doctor for relief for common ailments. For some reason which is not far to see, the scheme has not made much headway with the medical fraternity who seem to look upon a panel doctor's appointment only as a stepping stone to higher things and bigger practices. The result is that the panel doctor keeps on changing frequently and, the workers complain. All too frequent changes of panel doctors means loss of the usual doctor-patient relationship, apart from disruption of
the treatment itself. Another common complaint is that most of the medicines prescribed by the panel doctors are never available in the medical centres with the result that the workers have to either forego their treatment or opt for costlier medicines in the open market. One more complaint of the insured workers is that even though they pay Rs.15 to 18 per month, they come in for most cursory treatment from the panel doctor (a complaint that is, perhaps, common to all similar national welfare schemes in the United Kingdom and elsewhere). It is also the complaint of most trade unions that a scheme which was intended to bring the best possible medical care and treatment within the reach of the poorest industrial worker today falls far short of the ideal.

For the doctors themselves, who receive a capitation fee of Rs.25 per annum per insured worker (with each panel doctor having a minimum of 750 workers to cope with), it has been said that the capitation fee is far too little when compared with the workload. Their contention is that they sacrifice their private practice to serve as Insurance Medical Practitioners and that the capitation fee was their only income which worked out to about Rs.950 per month on the average. (According to Government figure). What about incidental expenses like rentals for the dispensaries, conveyance, dressings, drugs, professional tax, telephone charges etc., the doctors ask.
All these incidentals have to be borne by themselves out of the capitation fees paid to them. According to the Insurance Medical Practitioners' Association, if the expenses of the doctors for running their dispensaries and the rise in cost of living were to be taken into account, the E.S.I.S. fees were "obviously uneconomical". Even an increase of 42 paisa per family card offered by Government would not adequately compensate the increased maintenance expenses.

Obviously, the main reason for the apparent discontent among both the practitioners of insurance medicine and the patients alike is the almost total absence of motivation on the part of the IMP, who is not much concerned with the larger social objectives of the E.S.I.S. and is in the scheme only to build up a good practice for himself and build up a rosier future. Otherwise there should not have been such a rampant complaint of neglect and indifference among the insured workers about the panel doctors. There is need, on the part of both the Employees' State Insurance Corporation and the panel doctors to pull themselves up, in their respective spheres, and ensure that the insured industrial workers gets a fair deal. After all, the whole scheme has been conceived for his benefit. The E.S.I.C. could make a beginning by ensuring that the industrial workers gets the drugs and medicines he needs.
However, in the light of above critical analysis, it is not meant to suggest that Administration of Benefits under the E.S.I. Scheme is inefficacious or that these benefits can be administered without any loopholes and weaknesses in the very first attempt. But in order to have a unified view of the areas which need commendations or recommendations for improvement, certain findings regarding certain aspects of the scheme need to be highlighted. These aspects include coverage, administrative machinery, procedures and methods, contribution records, decentralisation of administration, disbursal of payments, staffing, medical arrangements and judiciary. All these aspects are discussed as under:

**Coverage**

As stated earlier, an adventure in the long cherished direction was made on 24 February, 1952, when the Employees' State Insurance Scheme was introduced in Delhi. The number of employees registered on 'Appointed Day', was approximately 40,000 and during the first two years of its working, it went up to nearly 83,000 or more than double. The discussion in the foregoing chapters, on the existing coverage of the Scheme, brings to light the extent of the headway it has made all over the country since its inception.

However, it may be pointed out that as regards
coverage the Act has restricted the scope to factory employees, that too, for employees in perennial factories, employing power and employing twenty or more persons. In addition there is a limitation based on the monthly salary of the employees initially Rs. 400/- revised to Rs. 500/- in 1966 and now raised to Rs. 1000/- by the E.S.I. Amendment Act, 1975, for inclusion under the scope of the Act. Originally, it was envisaged that all the employees within these limited categories could be covered over a short period of four to five years. But it took the corporation nearly twenty years. This points to the need for more comprehensive exercises in forecasting about extention.

Although Section 1 (5) envisaged the extension of the Scheme to other classes of establishments, the steps in that direction were not initiated till 1975. Employees in small factories, shops and commercial establishments are being brought under the purview of the Scheme. As regards the extension of the Scheme to workers in mines and plantations, the recommendation of the Committee on Perspective planning is that it be limited only to be cash benefit part of the programme. This is because most of the establishments in these two sectors provide medical care of a high standard to

1 Report of the Committee on Perspective Planning op. cit., p. 14
their employees without contributions from them. It is argued that such a partial application of the programme is permissible under Section 39 (2) of the Act. In this connection it may be of interest to note that in the course of discussions in the Central Legislative Assembly (at the time of the introduction of the Bill) in 1946 a suggestion by Shri Ajit Prasad Jain to apply only sickness and employment injury benefits under the Scheme to the employees in the seasonal factories was not accepted. Application of the principle of variations in benefits to suit different categories of industries and employees is being revived for consideration. This seems to be an unsound suggestion, as it goes against the principle of pooling of risks and resources. Besides, the splitting up of the Scheme into different compartments, is likely to create many administrative problems like separate records keeping. It disturbs the uniformity and universality of the application of the Scheme in other establishments. Efforts should therefore be made to apply the Scheme uniformly to all gainfully employed persons without injury to universal principles.

Instead of thinking in terms of the splitting of the Scheme for extensions to the new categories of workers the attempt should be to bring together the disjointed social insurance and allied measures provided at present under
different enactments. This is a matter on which a decision has been pending for a long time. At the time of its introduction, high hopes were entertained that the E.S.I. Scheme is a thresh-hold leading to a comprehensive social security Scheme. The efforts in that direction have not borne fruit so far. A committee constituted in 1958, under the Chairmanship of Shri V.K.R. Menon has recommended the integration of the retirement benefit under the Provident Fund laws with the sickness, maternity, disablement and dependants benefits under the E.S.I. Act. The Committees' recommendations were discussed at a number of meetings of the affected interests and organisations, but no consensus was achieved about integration.

The matter was again referred to another Committee under the Chairmanship of Prof. N.N. Chatterjee. This Committee was required to re-examine the possibilities of evolving a 'Blue Print' for social security. The Committee's report which is confidential (submitted in 1971-72) is still under the consideration of the Government.

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2 Report of the Study Group on Social Security op. cit., p.12-16

3 E.S.I. Corporation, Annual Report 1971-72 p.12
An early decision in the matter would help to work out long range programmes for development of social security measures and to dovetail them in the overall development plans.

**Administrative Machinery**

It is pointed out that the positions of the principle officers at the Headquarters set up have generally been drawn on deputation from various Central Services. The corporation has had five Directors General since its inception in 1948, the first two were medical men and all the three subsequent appointees are officers belonging to the I.C.S/I.A.S cadre. Similarly, the post of Financial Adviser and Accounts Officer is generally manned by an Officer drawn from Indian Audit and Accounts Service. It is felt that the Corporation in its life of more than 25 years must have by now built up an adequate cadre of its own trained personnel in the respective divisions. It is, therefore, suggested that while making the appointments to the principal officers, the Government of India should take into view the claims of the senior officers of the Corporation. Moreover, such a step would inculcate a sense of belonging to the organisation in the minds of those who are down below in the management hierarchy.
Many offices created by Statute seem to suffer in their effective functioning in realising the objectives of the organisation by having persons on deputation from government and on the other hand, some view it as a necessary part of the need for a homogenous functioning of the corporate bodies created and working within the over-all framework of the Government. Another factor that is often mentioned is the frequent changes of Principal Officers and the non-filling up of their positions for considerable lengths of time. For instance, the post of Insurance Commissioner was held by as many as seven incumbents from the period 1960-61 to date. Similarly the number of incumbents in the position of Financial Adviser and Chief Accounts Officer during the same period was six. Frequent changes of incumbents at the policy formulation level will hamper continuation of policies. The post of Medical Commissioner had not been filled for a considerable period of time after the constitution of the Corporation and again from October 1956 to August 1961. Commenting on the difficulties faced in the extension of the Scheme, the I.L.O. team observed in 1952 that these difficulties had to do in one form or another with medical benefit and important medical issues were generally in question. Had a Medical Commissioner been in post during the two years when these issues were developing, it may very well be that progress would have been achieved
in settling them. This is only one illustration of the consequences of leaving key posts unmanned.

Similarly the position of Actuary had been held independently for a period of less than ten years. Most of the other times it was either left unfilled or held as an additional charge by another principal officer. This fact has prompted the Estimates Committee of the Lok Sabha to recommend its abolition.

These experiences suggest that the present provision under Section 16 of the Act in regard to the appointment of Principal Officers by Government needs a review. It is suggested that the Corporation should be free to modify its top organisational structure to suit its requirements. In any case, a statutory provision fixing the number and functions of a certain grade of officers irrespective of the size of growth of the organisation in an unusual feature and does not find a place in any other similar legislation. In its reply to the recommendations made by the Estimates Committee on lines similar to the above,\textsuperscript{4} the Government conceded the need for an amendment of Section 16 of the Act.

\textsuperscript{4} Estimates Committee (Fourth Lok Sabha) 123 Report op. cit., p.45
It even suggested that a simple amendment be made providing for the appointment of the Director-General as the Chief Executive Officer of the Corporation assisted by such other officers as the Central Government may appoint in consultation with the Corporation (if necessary). However, no such change has been made in the amendment to the Act, in 1975.

**WORKING METHODS AND PROCEDURES**

An extensive study of administration of benefits under the E.S.I. Scheme leads to the inevitable conclusion that it is encumbered with several layers of complicated methods and procedures, specially those involved in the registration and processing of claims. At the time of implementation of the Scheme a declaration form is to be completed by the employer in respect of every employee. Thereafter, the illiterate worker, coming from a rural background has to complete a variety of forms and several formalities from time to time. During the course of study of the Scheme it was revealed that more than 200 forms are to be completed by the various parties to the Scheme, out of which about 45 forms are for the use of insured persons, 50 for the employers and 125 other for the Regional and local offices and E.S.I. dispensaries.

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This complexity of methods is, partly, because a large number of people are involved in contributing for and claiming a variety of benefits and partly because the financing and administration of the benefits require the co-operation of a number of agencies at various levels, sharing different degrees of liabilities. While we accept the fact that complexity is an inevitable feature, there is no gain saying the need for the simplification of working methods and procedures because a number of beneficiaries are unsophisticated and unwilling to be encumbered with complicated routines in the process of claiming the benefits due to them. Moreover, cumbersome procedures cause unnecessary delay in the processing of claims.

As a corollary to the above, the following suggestions are made to streamline the working methods:

1. **Teller System:**

   This system has been working in 44 local offices only on experimental basis as on 31-3-1976. It is suggested that this should invariably be used in all the local offices. It will simplify the existing complicated system of claims taking and payment of cash benefits at the local offices. The counter clerk may be authorised to make the payment upto Rs. 50/- after ascertaining the title of the beneficiary.
2. Contribution stamp system:—

The present cumbersome and time consuming method of payment of employees' contribution by affixing contribution stamps may be replaced by Pay-Roll system or a Time Deposit System by crediting to the account of the concerned branch of State Bank of India at fixed intervals. The O and M Division at the headquarters should be asked to concentrate on it.

3. Abolition of Sets:—

As brought out earlier this procedure has actually increased the total amount of work to be done in many ways. It is, therefore, recommended that the system of dividing the insured persons in three sets may be abolished,

4. Return of Contribution Cards:—

The return of Contribution Cards should be sent by the employer in triplicate and not in duplicate. It will be helpful, if the local office has a copy of the return in the event of a card not being readily available. This will not only reduce correspondence between the local office and the Regional Office but will also avoid delay in payment of benefits to the insured persons.
5. Change of Unit:

Contributions under the Scheme are paid on weekly basis. It is suggested that a month be reckoned as a unit for the payment of contributions instead of a week, in cases where wages are paid on monthly basis.

CLAIMS PAYMENT OPERATIONS

It has been observed earlier in Chapter IV that five types of cash benefits, namely sickness, disablement, maternity, dependents' and funeral, are provided under the Scheme to the insured persons or to their dependents as the case may be. It is also a matter of pride that all the benefits, except sickness benefit are more or less in conformity with the minimum standards set out in the I.L.O. conventions. But it cannot be denied that the procedure of payment is lengthy and not without defects. The payments in respect of each benefit claims are effected at the different local and pay offices set up in the Region. While discussing the pros and cons of the system with the various employers and workers' organisation in the Bombay and Pune Region, it has been felt that undue delay and inconvenience is involved in the payments to the insured persons. Sometimes workers are harrassed and they have to waste a lot of time and money by way of conveyance charges in receiving the payments of their
claims. In this respect the following triangular formulary is suggested for implementation:

1) Lengthy and cumbersome procedure should be simplified.

2) The payments should either be made at the place of duty of the worker or sent by money order at the cost of Corporation to avoid delay and inconvenience.

3) The payment should be made by the employers, in first instance, and afterwards they should be authorised by the Corporation to deduct the same out of the amount to be paid by way of contribution to the corporation.

Moreover, in addition to the above, the following steps should also be implemented expeditiously to simplify the disbursement operations:

1. The contribution cards should be maintained at the local offices instead of Regional Office.

2. Delegation of more powers to the managers at the local offices.

3. Liberalisation of contributory conditions.

4. Payment of sickness benefit in lieu of temporary disablement benefit subject to certain adjustments.
Medical Benefit which is the king-pin of the scheme, is administered by the respective State Governments, except in Delhi where the E.S.I. Corporation is administering it directly. Full medical care including hospitalisation is provided to an insured person from the very first day of his coverage and to members of his family from 13 weeks thereafter. Outdoor treatment is provided by whole-time service dispensaries, except in Bombay and Calcutta where it is provided by panel clinics. Originally, out-patient and domiciliary medical care only was available. Gradually, the scope of medical facilities has been enlarged to provide specialists services and hospitalisation to families of insured persons. Facilities of full medical care including hospitalisation are now available to nearly 24.11 lakhs families and planned to be extended further to over 10 lakhs families during 1977 with the commissioning of more hospitals already under construction.

The Corporation has undertaken the crash programme for construction of hospitals and dispensaries all over the country. As many as 58 hospitals and 25 annexes with more than 10400 beds have already been commissioned. These hospitals have been equipped with latest and modern equipment and all latest
techniques of diagnosis have been made available in these institutions. Modern facilities of laboratory pathological examinations, X-ray and emergency services have been provided in these hospitals. In the last about 3½ years, capital works involving an outlay of about Rs. 30 crores has been sanctioned. Nearly 20 hospitals under construction are expected to be completed and commissioned soon there by making an additional 5000 to 6000 beds available under the Scheme. Efforts are being made to construct a large number of dispensary buildings all over the country to provide the beneficiaries outdoor medical care in healthy and clean surroundings.

Expenditure on medical benefit which was limited by a ceiling of Rs. 50 per employee per annum in 1970 and subsequently raised to Rs. 95/- per employee per annum has been further raised to Rs. 105 per employee per annum w.e.f. May 1, 1977 liberalisation has also been allowed in expenditure on drugs, initial equipment of the hospitals and for provision of special equipment.

Norms of staff, equipment and other facilities in dispensaries, specialist centres and hospitals have been enlarged to provide better services to the beneficiaries.

Pharmacopoeia of medicines and drugs has been updated to include all latest and modern drugs irrespective of the
cost factor. Uniform scale of diet based on the calorie value of food has been laid down to provide better diet to patients in E.S.I. Hospitals.

Very high priority has been given to the programme of Family Welfare Planning as also to immunisation of children of insured persons.

A special project has been devised and 65 well - equipped Family Planning centres have been set up in major industrial areas and 100 beds in different E.S.I. Hospitals have been reserved exclusively for undertaking tubectomy operations. Officers and staff employed in the Scheme are actively motivating beneficiaries of the Scheme to adopt small family norms.

**BENEFICIARIES COMPLAINTS**

The above discussion on medical care leads to the conclusion that no stone has been left unturned to provide a satisfactory medical service to the beneficiaries in the region. But during my visits to the various factories, and while talking to the insured persons and their representatives, it was noticed that there is still a scope for lot of improvement. The complaints are particularly in respect of:-
1. Non-availability of routine medicines in general, and medicines prescribed by the specialists in particular, at the dispensaries and prescribed shops of the chemists;

2. Poor condition of the medical equipment in some of the dispensaries.

3. Indifferent attitude of Insurance Medical Officers and para medical staff towards the beneficiaries;

4. Inadequacy of ambulance services in smaller hospitals and dispensaries.

5. The inclusion of drugs in the prescribed pharmacopoeia with reference to the price instead of their therapeutic value;

6. Laxity on the part of Insurance Medical Officers in respect of domiciliary visits and;

7. Supply of 'inferior quality' drugs at the E.S.I. dispensaries.

These oft-repeated complaints, that we have enumerated above, underscore the expediency with which adequate measures have got to be devised by the Corporation to administer the medical benefits more effectively. It is desirable that the following steps be taken to remove the deficiencies—
CONSTANT VIGIL

The cases of drugs being pilfered and collusion between medical staff and approved chemists to defraud the Scheme have been commonly observed. These malpractices are responsible to a large extent for the non-availability of medicines and supply of drugs of inferior quality to the beneficiaries. The administrative Medical Officer should constitute a 'Supervisory Team' of at least three medical Officers to look after the day to day working of E.S.I. dispensaries by way of surprise visits. During such visits the grievances of the beneficiaries attending the dispensaries should be heard in order to have a first hand information. Random sample checks of the prescriptions issued by very Insurance Medical Officer should be made by this team. This would detect the persistent tendencies, if any, or over prescribing or the obvious errors in diagnosis or prescription. The Medical Officers in the team, should be encouraged to give to the Insurance Medical Officer concerned suitable advice, in cases of egregious errors. Complaints of misbehaviour by insured persons against the Insurance Medical Officers and vice versa, should be promptly investigated and appropriate action should be instituted, where called for, by this team. These steps would provide, besides gearing up the medical administration, a psychological satisfaction to the
beneficiaries, on the one hand, and would undoubtedly help the administration in taking suitable remedical measures on the other from time to time.

MEDICO SOCIAL WORKERS

Beneficiaries experience difficulties when they are referred to E.S.I. dispensaries for treatment. Therefore, it is suggested that qualified 'Medico-Social Workers' should be appointed for their help and guidance, so that they may get quick and proper medical care. Thus they will also assist the insured persons and their dependents in understanding the medical instructions regarding treatment. They may broadly be assigned the following duties for an efficient and smooth administration of benefits in the Region:

(a) To look into the complaints of workers regarding medical care and to sponsor the genuine cases of local offices and dispensaries for redressal;

(b) To visit the insured persons at their residence when they are recipients of sickness or disablement benefits and to report the dubious cases to the local offices for action;

(c) To help the insured persons for consulting a proper Medical Officer and in seeking admission to a hospital without delays.
(d) To enquire into the social background of the sick workers and to convey the information to the concerned Medical Officer.

Thus these 'Medico-Social Workers' will not only ease the workload of the Insurance Medical Officers but will also bring to the notice of medical authorities constructive suggestions for the well-being of working population. They will also be helpful in checking those beneficiaries who are in receipt of sickness benefit on fraudulent grounds.

**ALTERNATIVE SYSTEMS OF MEDICINES**

The Medical benefits under the Scheme are mainly being provided through the Allopathic System of medicines. While talking to the insured persons and their representatives it was noticed that a substantial number of workers evinced keen interest in the treatment by by the systems other than Allopathy. It is, therefore, suggested that the Ayurvedic, Unani and Homeopathic systems of treatment should also be given adequate recognition.

It is very significant that, during his detention in the Aga Khan Palace near Poona during the 1942 "rebellion", Gandhiji, instead of writing a thesis on his Sarvodaya philosophy, penned in his own hand a small brochure entitled 'Key to Health'. In this booklet, he underlined the urgent
need for using simple nature-cure methods for the preservation of the nation's health. In order to keep the body healthy, it is necessary to utilise properly the five elements of nature—earth, water, ether, light and air. Gandhiji was against the use of modern drugs and medicines which do irreparable damage to the human machine and create endless complications.

During the recent past there has been an unusual interest in nature therapy in Europe and America, and in place of highly sophisticated drugs and pills, the people are increasingly using simple, cheap and domestic remedies for various ailments. Even the World Health Organisation (WHO) has recommended to the developing countries that indigenous systems of treatment, which are both simple as well inexpensive, should be encouraged in a big way for ensuring adequate health facilities to the masses. It is interesting to know that recently, at a London hospital, a patient who underwent surgery and whose wounds were infected despite the use of antibiotics was successfully treated by the simple method of placing strips of papayas over the wounds. It is necessary to make a scientific study of such natural methods of treatment with a view to extending their benefits to large numbers.
The salutary effects of the introduction of indigenous systems could be enumerated in the following dimensions:

(a) The incidence on the existing system will be shifted to the alternative systems and, therefore, it will cater to the medical needs of the beneficiaries more efficiently.

(b) It will curtail the total budget on medical care.

(c) A slight reduction in the budget for Allopathic treatment will effectively accommodate these systems.

(d) It has been estimated that the per capita, expenditure under indigenous systems shall be lesser than that under the existing system.

(e) The premises of existing dispensaries, running in single shifts, may conveniently be used for the purpose.

Thus the advantages of these systems need hardly to be exaggerated. The treatment through these systems would not only prove to be efficacious but cheaper as well. But this needs a cautious, broader and farighted vision lest an overambitious crash programme should collapse. Therefore, it is recommended, to begin with, one doctor unit of Ayurvedic
and Homeopathic systems should be set up in such existing Allopathic dispensaries that are situated in the areas of labour concentration. As enumerated above, the buildings of the existing dispensaries, specially of those, running in single shifts, may conveniently be used for the purpose. This arrangement will thus mitigate any possibility of additional financial burdens to be incurred by way of construction of dispensary buildings. If the experience, in the course of time, finds favour from the beneficiaries, the facility may then be extended accordingly.

DOMICILIARY VISITS

Special arrangements have been made for domiciliary visits in case a beneficiary needs it. The Insurance Medical Officers engaged in the Scheme are paid an additional capitation fee for home visits. But it has been pointed out by many a respondents during the interviews that a high degree of dejection prevails among them regarding home visits under the Scheme. It is too early to predict the dimensions of its manifestation.

There is a common complaint that the Insurance Medical Officers pay very few domiciliary visits. Even in genuine and most urgent cases they try to pacify the ordinary insured person either by prescribing very costly medicines or by
sending a senior man from para-medical staff to the residence of the insured patient. Visiting doles and conveyance charges are frequently accepted. In this context it is noteworthy that the trade union leaders and some prominent insured persons do not have any complaint of this type. When the question was put to the Insurance Medical Officers, the explanation given was that they are overworked and cannot afford to neglect the long queues of insured persons at the dispensary and that moreover, the insured persons do not ask for such visits.

The state of affairs being what it is, it is suggested that steps should be taken to educate the insured persons of their rights and it should be deemed a default if an insurance medical practitioner fails to pay a domiciliary visit when called to do so, unless he can show that the call was frivolous or vexatious one. It should be emphasised that the maintenance of an efficient domiciliary service necessitates an adequate provision of the medical staff at the dispensaries. On an average one IMO is catering to the medical needs of a unit of approximately 4,000 beneficiaries as against of 2,000 stipulated according to the present yardstick. In addition to above, 'Mobile Service Dispensary Scheme' should be introduced in large cities.
The IMO incharge of such a dispensary, along with attending the out-patients in the areas of labour concentration, will also perform the domiciliary visits. The preventive and restorative work should be started on a large scale without delay. The co-operation of the trade union representatives, employees, employers and other local agencies should be enlisted for the purpose.

**LAX CERTIFICATION**

An assured person is issued the necessary certificate by the Insurance Medical Officer, to whom he is attached, free of charge, when he claims cash benefits payable under the Scheme. He is also compensated for the wages lost and conveyance charges incurred while appearing before the Medical Board for the assessment of incapacity. If certificates are issued for claiming the benefits in genuine cases, it is well and good. But it does more of harm when they are issued for conducting the strikes or for feigning illness. The employers complained, when interviewed, that there had been maligering on a large scale and wide spread misuse of benefits, particularly of sickness benefit, by the workers on account of laxity in the issue of certificates.

The problem is further aggravated when the worker avails himself of the benefits under the Scheme without
intimating the employer. In certain cases of prolonged illnesses the post remains vacant for months together and the employer does not even know whether the worker would be returning to work or not. As a corollary to this, there is unavoidable financial strain on the Scheme, on the one hand, and an increase in absenteeism in industry on the other. This also leads to the disruption of production. All this is due to the laxity in the issue of certificate of illness by the Insurance Medical Officers. A tendency has grown among the workers to exploit this provisions to the extent of claiming benefits (temporary disablement) even in the cases of petty and negligible accidents.

To check that doctors donot issue certificates indiscriminately, the E.S.I.C. had recently asked them to give a report each month, indicating the amount of leave they have granted. If a doctor gives more than eight days leave a month to any patient, he has to give reasons to the E.S.I.C. If his answers donot satisfy, he is suitably punished. But so far, few doctors have been hauled up for interrogation, let alone penalised for their mistakes.

Hence there is an urgent need to devise ways and means to check this tendency. Effective steps should be taken by regional and local offices for a strict watch on such
certificates. The dubious cases should immediately be referred either to the Medical Referee or Medical Board for thorough examination. These tendencies could be checked if the following measures are adopted:

(a) The employers should not be too reluctant while granting casual leave for a day or two where really needed.

(b) The Insurance Medical Officer should issue certificate only in genuine cases.

(c) The workers should also realise that malingering on their part means a loss to the nation ultimately.

(d) The institution of 'Medico-Social Workers' should effectively be used to check malingering.

(e) An outside certificate submitted by an insured person who has in the past also done so frequently should be subjected to a thorough checking for establishing its genuineness.

(f) If a particular Insurance Medical Officer, from a particular dispensary in the Region, is found to be issuing an unusually large number of certificates, all certificates coming from him should be checked.
(g) The collusions entered into by some of the IMOs and IPs should be detected. Some alertness on the part of IMOs office as well as the local offices would go a long way in nipping this malpractice in the bud. The need for vigilence cannot be over emphasised.

(h) When an IP is issued a certificate the intimation should be sent by the IMO under a separate cover so that it may reach the employer directly.

(j) The preventive aspect of medical care and health education should receive greater attention.

**ADEQUATE OFFICE SPACE**

During the course of my study, while visiting the Regional and Local Offices at PUNE and BOMBAY it was felt that the principles of modern scientific office management in respect of office accommodation have been greatly ignored. The seating arrangement is so congested that a man cannot move easily from one row to another. There is no proper arrangement for shifting the old record to the record rooms. Files have piled up in the corners of rooms of every branch in the Regional Office. It cannot be denied that provision of adequate space, good internal communication system, proper arrangement of racks and cabins, shall all contribute to the efficient management of services under the scheme.
The O and M Division at the headquarters should pay attention for formulating its own yardstick taking into account the available space, at the regional and local offices, the number of employees working in different branches in the regional office to the local offices and additional staff be provided at the local offices. This would ease the problem of overcrowding in different branches at the regional offices.

**NARROW INTERPRETATION OF ITS OWN POWERS**

Although the E.S.I. Corporation has, demonstrated commendable adaptability in meeting the needs and demands of the beneficiaries, it has put a narrow construction upon its own freedom to act under Section 99. For example, it has referred to the Central Government for decision the matter whether to provide or not, a wheel chair to a disabled person. The Medical Board has recommended the provisions of such a chair to disabled persons. It appears to us that the Corporation has the power to decide on that matter under Section 99. But it has chosen to act under Section 19, thereby putting a narrow interpretation upon its own powers. Probably the Corporation has followed the path of least resistance. There might be other instances like these which are not reported. As a statutory Corporation, the E.S.I.
might consider the desirability of taking decisions in as wide an areas as permitted under the Act without waiting for the prior approval of the Central Government.

**ORGANISATIONAL ASPECTS**

When we shift our attention from the programme to the organisational aspects, Employees' State Insurance Corporation has been showing evidence of dynamism by subjecting itself to reviews through internal committees. The recommendations arising out of these reviews are being implemented through administrative measures or modification of rules and regulations. But no Committee or Commission does not seem to have suggested any radical change in the structure. The tripartite committees at the National, Regional and Local levels are found to be sound in principle. The constitution of the Regional Officers more or less corresponding to the major states is an operationally expedient step. The process of decentralisation whereby local offices have been increasingly given greater power is aimed to have expeditious disbursement of cash benefits. The setting up of mini-Local Offices to cover sparse populated areas is also a measure furthering this objective.

The tripartite Committees at the regional and local levels need to be activated. Besides, the practice of
constituting a single Local Committee for an industrial centre irrespective of its size, needs review. During interviews with some of the employers it was revealed that some of them were not even aware of the existence of Local Committees. It is for consideration whether it might be desirable to constitute Local Committees for areas corresponding to the jurisdictions of a Local Office or an E.S.I. dispensary. This arrangement might facilitate better participation of the local interests.

In the matter of the appointment of Principal Officers of the Corporation, the statutory specification by designation and number needs a relook. As the Corporation's work increases in volume and variety, it might be necessary to have officers in senior positions created under the Corporation specializing in modern management techniques such as cost-benefit analysis, materials management, management information systems etc. The Corporation should have enough powers in deciding upon the number of positions at the 'Principal Officers' level as per the demands of efficient management. Specialisation in modern management techniques may ultimately have to be provided also at the regional levels.

In the formative years there may be some justification for the Central Government to retain with it the powers to
sanction certain high level positions in the Corporation and for insistence on their selections through the Union Public Service Commission. The Corporation has by now, gathered enough experience to manage its own affairs. It should therefore, be given greater freedom in deciding all personnel matters.

PERSONNEL ASPECTS

A personnel matter which needs a long range planning is that of career development. The discontentment among the staff on account of fewer promotional opportunities, as has been reported by the E.S.I.S. Review Committee, is not a happy sign. The recommendations of the Job Evaluation Committee (not yet published) set up in 1973 in connection with the above have still not received the consideration of the Government. It is hoped that they would soon be given effect to. In any case it is the primary responsibility of the top management to ensure that each staff member has enough opportunity for advancement in the E.S.I. Service. Besides, the function of posting should be handled in such a way as to give the functionaries a change to work at different positions so as to avoid monotony and also to gain work experience in a variety of positions.
The reported opposition from the staff for the introduction of 'Teller System' owing to their fears that it might lead to obsolescence of the existing staff, needs to be tackled by the management in consultation with them. Every organisation has to safeguard itself against such fears and possibilities of 'entropy'. It need to train its staff to become accommodative and adaptive to new and improved systems of management.

The Corporation should also have an effective machinery for redressal of staff grievances. The staff councils constituted at the Headquarters and at the Regional levels do, of course, serve as a forum for the staff to ventilate their grievances and seek redressal. But the present functioning of these councils leaves much to be desired. This aspect needs further review and improvement.

The suggestion with regard to the constitution of a separate E.S.I. cadre of Medical Officers is sound in principle but it might not be a feasible proposition for a long time to come. Unless there is a radical restructuring of the present arrangements in the creation of a hierarchy of positions, a separate cadre might not serve its purpose. The other suggestions viz., the creation of research facilities and specialised training in Industrial hygiene
(with suitable monetary incentives for people undergoing the specialised training) could be pursued pending decision about the creation of a separate cadre. These may, in the short run, attract better qualified people for working in the E.S.I. Scheme.

ALLIED ASPECTS

Besides observing the various glaring lacunas, inherent in the administration of benefits under the E.S.I. Scheme and incorporating remedial measures thereto in the foregoing pages, it seems desirable to throw light on certain other aspects. No doubt, these aspects occupy a secondary importance in the framework of the Scheme, but if provided for, will add to its success in numerous ways.

These include:

1. Rehabilitation Programme:— This comprises measures for the improvement of the health and welfare of insured persons and for the rehabilitation and reemployment of those who have been disabled or injured. With regard to the expenditure on such measures, the Corporation may bank on the E.S.I. fund within reasonable limits.

2. Family Planning Facilities:— The family planning facilities should be resumed at all the full-time
dispensaries in the Region. The importance of the results of effective family planning measures, in relation to workers, need not be exaggerated in view of their obvious potentiality in bringing down the incidence of sickness amongst them. The co-ordinated measures should be taken in consultation with the family planning units of Central Government and Local Administration.

3. Whole Time Court: - The existing system of adjudication, by a part time E.S.I. Court, is inconvenient to the insured persons and their dependents. This process involves heavy expenses and long delay in dispensing the cases. It is desirable that a whole time E.S.I. Court with a mobile wing be set up. This mobile wing will hear and decide the cases on fixed week days either at the various local offices or at the centres to be set up in areas of labour concentration.

4. Medical College: - In view of the shortage of medical and para-medical staff, under the Scheme, it is suggested that efforts should be made to establish various full-fledged medical colleges under the E.S.I. Corporation. Thus trained doctors will easily be available for the Scheme. The para-medical staff may also be given refresher courses of shorter duration at the same college.
5. No Claim Bonus: While talking to the employers and employees both have favoured the idea of giving same kind of incentive to those workers who do not claim any cash benefit or avail themselves of any medical care during the course of the year, although, their own as well as their employers' special contribution is being paid to the Corporation every year. The quantum of such bonus should at atleast be 25 per cent of the contribution of the employee paid during the year. Such bonus will act as an incentive to reduce the tendency of taking false leave or malingering and thus will be ultimately advantageous to the Corporation and employers.

CONCLUSION

After having examined the administration of benefit's under the Scheme it is evident, that, the success depends on the co-operation of the employers, employees, officials of the Corporation and the staff engaged in the administration of the Scheme. The object of this thesis, however, is not to Criticise the Scheme only for the sake of Criticism. Efforts have been made throughout this study to evoke constructive thoughts and remedical measures have been suggested to remove the various lacunas inherent in the administration of benefits under the Scheme. The various
suggestions made during the course of this study call for alertness, constant vigilance and actuarial accuracy at all the levels for their successful implementation. Any error or slackness is likely to cause hardship, friction and inconvenience to the workers, employers and the Corporation. The services extended to the working class systematically, efficiently and in full sympathy will rebound with further patronage and the three wheels of service, security and satisfaction will gear up the resultant enthusiasm and spirit of co-operation.

The Corporation has yet to attain the goal of extending the benefits of the Scheme to all the working population employed in various establishments of the country. The Scheme needs a co-operative endeavour, on the part of workers and employers, to serve the common good of its beneficiaries. The common good which is ethically a noble ideal to be sought after, is neither the material plane nor merely the product of a conglomeration of individual interests and prerogatives. The medical profession has a duty to ensure correct certification, employers must fulfill their obligations according to rules and regulations, employees must seek certification only when they are really incapacitated and the Corporation should conform in spirit to the standards of cash and medical benefits envisaged under the Scheme.
However, in fairness to the Scheme, it may be said that efforts have been continuously made for the improvement of the scheme and for the removal of its defects. It is difficult, almost impossible, to achieve perfection in a national venture of the magnitude of the E.S.I. Scheme. Inspite of the imperfections it is quite evident that, in view of the rapid urbanisation and industrialisation, the Scheme is bound to become the foremost Social Insurance for industrial labourers of our country. It may be said that the benefits provided under the scheme will play its due role in the furtherance of the ideals of the Welfare State in the Country.

Thus, after a critical review of the functioning of the scheme during the last twenty five years (1952-77) we may say in a nut shell that, giving a fair deal to the industrial workers through 'Administration of Benefits' under the Scheme would mean:-

TO THE WORKER

1. Income protection.
2. Better health.
3. Family welfare.
4. Protection to dependents.
5. Greater efficiency and productivity.
TO THE NATION

1. Healthy worker.

Above role and importance of the Scheme has been rightly brought out by International Social Security Association (1927-77) in its following statement:

"NO LASTING PEACE WITHOUT SOCIAL JUSTICE
NO SOCIAL JUSTICE WITHOUT SOCIAL SECURITY".