

**EMPLOYEES' STATE INSURANCE CORPORATION
PANCHDEEP BHAWAN ; CIG MARG NEW DELHI.**

No. D-12/16/1/03-E-VI

Dated: 01.03.2007

To
All Regional Directors/Jt. Directors Incharge,
D(M)D/DM Noida/SSMC/M.S. of ESIC Model Hospitals/ODCs.

SUB : Extension of Medical facilities to ESIC Pensioners through the ESIC Pensioners Medical Scheme (ESIC-PMS) w.e.f. 01.04.2006-issue of clarification regarding.

REF : Hqrs. Office clarifications of even no. dated 13.01.2006, 07.06.2006 & 15.12.2006.

I am directed to invite your attention to the reference cited above and to state that following the approval of Standing Committee, the ESIC-Pensioners Medical Scheme came into force w.e.f. 01.04.2006. To smoothen the delivery of Medical Facilities under the scheme, clarifications were issued from time to time in the past. The matter was also placed before the Standing Committee in its meeting held on 31.01.2007. The consolidated clarifications alongwith further measures to remove the difficulties are appended herewith.

It is further clarified that a pensioner will remain entitled to the same facilities as available to him/her at the time of retirement, based on pension/last pay drawn as opted by pensioner at the time of issue of Medical Card.

The court cases concerning Medical Facilities to Pensioners, FMA etc. where reply/Affidavit have already been filed before the Courts as per the then prevailing instructions may be reviewed and if considered necessary revised affidavits may be filed before the Hon'ble Courts in consultation with the Counsel under intimation to Hqrs. alongwith copy of the revised counter.

Regional Directors vide letter of even no. were requested to make the tie-up arrangements, dissemination of information on the scheme etc. and submit the ATR with requisite details such as no. of pensioners, pensioners residing in non-implemented area, contribution details etc. so as to assess the viability of the scheme and to redress the greivances of the pensioners. The said information is still awaited from most of the field units. The same may please be supplied urgently. However, the Director General has also approved constitution of a team consisting R.D./Nodal Officer, Dy. Director(Admn.) and Jt. Director/Dy. Director(Fin.) to expedite the tie-up arrangement with the approved hospitals. In states with SROs, the J.Ds I/c. may also be associated with the team for tie-up arrangements. As regards, Delhi it shall be the responsibility of D(M)D, Delhi to make tie-up arrangements with approved Govt./Pvt. Hospitals for Super-Speciality Treatment of Pensioners. An Action Taken Report may be submitted by 31.03.2007.

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[Signature]

The clarifications as approved by the Standing Committee are appended herewith. This disposes of the references from Regional Directors and pensioner's Association, in the matter.

The receipt of this letter may please be acknowledged.



(A.K. SRIVASTAV)
JT. DIRECTOR-II.
For Director General

Copy to,

- (1) **Jt. Directors (Finance)/Dy. Director (Finance) at Ros/SROs/ESIC Run Hospitals**
- (2) **All India ESIC Pensioners' Federation, H-5, Jains Eiffel Gardens, 167-A Arcort Road Vadapalani, Chennai-26.**
- (3) **Employees' State Insurance Corporation, Pensioners' Association Kerala 11/108, Thazha Thethil House, Viyyur, Trichur-680010.**
- (4) **ESIC Pensioners' Association, West Bengal C/O. N.C. Das, E-9 Ramgarh Kolkata.**
- (5) **ESIC Pensioners' Welfare Association, B-3/64-A, Keshavpuram, Delhi-110035.**
- (6) **ESIC Pensioners' Welfare Association, Bangalore.**
- (7) **ESIC Pensioners' Association Bihar, ESI Colony, Ambedkar Path, Post Office B.V. College, Patna-800014.**
- (8) **ESIC Pensioners' Association U.P. 76, New Defence Colony, Gandhi Gram, Kanpur-208007.**
- (9) **ESIC Pensioners' Association Gujarat, 31, Killol Society Rajendra Park Road, Odhav, Ahmedabad-382415.**
- (10) **Raj Bhasha Cell, Hqrs. Office, New Delhi.**

The Standing Committee in its meeting held on 13/12/2005 approved medical care to ESIC pensioners w.e.f. 1/4/2006 on contributory basis depending upon and subject to option and payment of contribution in advance for a minimum period of six months based on the basic pay last drawn or monthly pension/family pension.

Pursuant to the decision of Standing Committee, clarifications have been issued for implementation of the scheme among the ESIC Pensioners on the following points:-

- (1) The pensioners were requested to exercise option within three months from the date of their retirement. Those who retired before introduction of the scheme but were not lifetime members of any earlier Medical Scheme were given one time option to apply for the membership of this scheme within three months from the date of its implementation i.e. 01.04.2006. However, on request of Pensioners' Associations/Federation, the period has since been extended upto 31.10.2006.
- (2) The medicare to ESIC Pensioners shall be at par with medical facilities available to Central Govt. Pensioners covered under CGHS Scheme subject to certain changes in the background of ESIC run Hospitals/ODC Centres in the state.
- (3) ESI Hospitals (Model Hospital) including ODC shall act as centre for OPD and Indoor treatment to the extent of facilities for pensioners living in catchment areas. In case, any particular treatment is not available they may refer the patient to any of the recognized hospitals where such treatment is available. If a pensioner takes treatment in a hospital which is not recognized in non-emergent circumstances, no reimbursement shall be made and the entire expenditure will be borne by the pensioner.
- (4) The reimbursement will be restricted to the rates approved by ESIC/State Govt./CGHS/CS(MA) Rules, whichever is lower or applicable. The cases where contingencies have arisen on or before 31.3.2006 shall be regulated in accordance with the instructions in force prior to 1.4.2006. Reimbursement claims already decided shall not be reopened.
- (5) **Appointment of Nodal Officer:** Regional Directors/Jt. Directors I/c. of Sub-Regional Offices shall be the Nodal Officers for reference to other approved hospitals, in case such facilities are not available in ESI Hospitals/Govt. Hospitals, on the basis of certificate from the respective hospitals. They shall maintain a register of such cases with all requisite details with due attestation by the Drawing and Disbursing Officer.
- (6) **Appointment of AMAs :**
 - (j) At present AMAs have been appointed by the Regional Directors/Jt. Directors for the purpose of providing medical facilities to the ESIC employees working under them. These AMAs shall be recognized for the purpose of the Pensioners' Medical Scheme also as per the existing terms and conditions till the issue of specific terms and conditions for AMAs later for pensioners by this Office.
 - (ii) If the pensioners take treatment under emergent circumstances, the reimbursement with the ceiling for such treatment in a recognized/approved hospitals shall be considered only when the medical emergency is certified by the Medical Superintendent of the ESIC Hospital of the region.
 - (iii) The Nodal Officer shall ensure that the ESIC Pensioners shall avail medical facilities through ESIC institutions including Model Hospitals in the first instance, failing which through ESI institutions, wherever agreements are already existing till finalization of separate agreement with each of the State Governments for provisions of medical facilities to the ESIC Pensioners.
 - (iv) Regional Directors/Jt. Directors I/c. shall also explore the possibilities of tie-up arrangements with CGHS approved

hospitals for the purpose of treatment of pensioners in their respective regions/sub-regions at Govt. approved rates. This needs to be done apart from the agreement with the State Government. In the event of scheme being misused by the pensioner, he shall be debarred from the membership of the scheme and liable for consequential panel action.

7) **Medical Facility through AMA:** Under Rule 6(A) pensioners are entitled to take treatment only from an ESIC/ESIS Dispensary/Hospital in the first instance wherever it is available for the pensioners. Consultation with A.M.A. is not permissible even if any A.M.A. is available within such radius. ESI Hospitals (Model Hospital) including ODC shall act as centre for OPD and Indoor treatment to the extent of facilities for pensioners living in catchment areas.

8) **Entitlement of Fixed Medical Allowance:**

- (j) The Pensioners residing in the catchment area of the hospitals of ESIC and residing in the area where the ESI Scheme is in force can not opt for Fixed Medical Allowance.
- (ii) If both Husband & Wife are pensioners, they are entitled to draw Fixed Medical Allowance. However, if either of them avails benefits as provided under the scheme their entitlement to draw Fixed Medical Allowance will cease for both of them.
- (iii) Fixed Medical Allowance is admissible to Family Pensioners.
- (iv) Pensioners residing in non-implemented area can opt for Fixed Medical Allowance and will not be eligible for OPD Treatment. However, for taking Indoor treatment normal procedure shall apply.

9) **Admissibility of I.P. Treatment in respect of Pensioners receiving FMA:-**

Pensioners who are living in non-implemented area of ESI Scheme can opt for availing Fixed Medical Allowance and in case they decide to avail facility under ESIC-PMS for Indoor treatment, Card can be issued bearing stamp "Not Valid for OPD Treatment". Nodal Officers may explore the possibility to recognize any other hospital and AMA in respect of which the Director General or any other authority has entered into an agreement as per rule-7 and 9 in respect of the pensioners residing in non-implemented areas.

10) **Traveling Allowance in case of medical reference:-**

The scheme is self sustaining one. Hence, consideration of T.A. is deferred for the present till such time the scheme is financially viable. However, this can also be extended to pensioners w.e.f. 01.04.2007.

11) **Medical Advance:-**

The scheme is self sustaining one. Hence, consideration of Medical Advance is deferred for the present till such time the scheme is financially viable. The Regional Directors/Jt. Director I/C. have been directed to explore the possibility of tie-up arrangements with public/private approved hospitals for CGHS beneficiaries for super speciality treatment.

12) **Separate Counter:-**

Separate Registration Counter of ESI Dispensary/Hospital for pensioners are not possible in the present scenario. However Dispensaries/Hospitals under the control of ESIC shall be directed to make certain special arrangements within the constraints.

13) **Reference to other Hospitals:-**

ESIC/ESIS Dispensary/Hospital may recommend the test/procedure which are not available in ESIC/ESIS Institutions and refer the patients to hospitals as provided under scheme. After the reference written permission from the concerned Nodal Officer in normal circumstances before commencement of treatment. The reference only be to hospitals recognised for CGHS Pensioners.

14) Nodal Officer in respect of Delhi:-

As far as pensioners in and around Delhi, D(M)D shall be the Nodal Officer as in the past.

15) Hospitals recognized for ESIC Pensioners:-

All Public and Private Hospitals recognized under CGHS/CS(MA) Rules shall be the same for ESIC Pensioner's treatment. Reimbursement shall be at admissible rates. The R.D's/J.D's/Nodal Officers shall explore the possibility of agreement with such hospitals and report the same to Hqrs. for further action. Individual Pensioners/Pensioners Association may be informed of the above, in addition to display at Notice Board.

Similar tie-up arrangement needs to be made with the hospitals recognized under CGHS/CS(MA) Rules for the serving employees of the Corporation also and progress made may be reported to Hqrs Office forthwith.

16) Treatment taken in emergent situation-submission of claims.

In such cases claims are required to be submitted to the Nodal Office for examination. Cases may be referred to Hqrs. with medical opinion of M.S. in places where ESIC Hospital is located and in other remote areas from M.R.

17) Definition of family.

The definition of 'family' shall be same as for CGHS for pensioner Unmarried/widowed sisters (irrespective of age), wholly dependents and normally residing with pensioner are eligible members of family. For dependency, however, the income from all sources including pension and pension equivalent of DCRG should not exceed Rs. 1500 P.M.

18) Persons voluntarily retired/compulsorily retired whether eligible or not.

Employees taking Voluntary Retirement at an early age say 45 or and above can opt for the scheme and pay contribution.

19) AMA System-reimbursement of charges:-

If a member of the ESIC-PMS happens to take treatment from AI the admissible charges shall be reimbursable as per prevalent provisions i.e. at rates as mutually agreed upon between ESIC/A under Rule 9 of the scheme.

20) Contribution-lump-sum/periodical/pro-ratacontribution.

- a. A pensioner who becomes a member of the scheme required to exercise an option to either for lifetime membership on payment of contribution equivalent to ten times the annual contribution required to be paid at the time of retirement or for periodical payment of contribution.
- b. A pensioner intending to become a lifetime member shall be required to deposit lump-sum contribution equivalent to ten years of contribution irrespective of the age of his entry into the scheme. The provision of pro-rata contribution has been dispensed with accordingly. (Illustration-Pensioners desirous to become the members of the age of 68 years will have to pay ten times the annual contribution for becoming a permanent member).
- g. A pensioner whether under the old or the new scheme who has contributed for a certain number of years out of the prescribed ten years wants to become a lifetime member under the new scheme, he or she should be required to pay contribution only for the remaining number of years. (Illustration:- 'A' who already contributed periodical contribution for three years shall be required to pay a lump-sum contribution equivalent to 7 years contribution only in order to become a lifetime member).
- h. If the pensioner has already contributed for ten years under the old scheme and is retiring, he shall be issued permanent card with contribution towards the new scheme.

making further contribution. No refund will be allowed pensioners who have paid the contribution for more than 10 years.

e. Pensioners and Family Pensioners have the option to pay contribution based on the last pay drawn by them/deceased employee or their Pension/Family Pension. Hence, Family Pensioner may contribute on the basis of last pay drawn and avail the same Medical Facilities as available on the date of retirement.

- 21) The pensioners residing in the catchment area of the hospitals of the ESIC or residing in the area where the ESI scheme is in force cannot opt for fixed medical allowance. Whereas, pensioners residing in other places will be entitled for FMA and in addition, they can opt for the indoor treatment. The **Catchment area** in respect of the place where the Model Hospital/ODC Centre is set-up may be defined as the area comprising the city area including urban agglomeration of classified city, municipality, Corporation including such of suburban municipalities, notified areas or cantonment as are contiguous to the named municipalities or corporation or other area notified by Central Govt. and periphery of the municipal limits of qualified city defined for the purpose of payment of HRA by the Govt. of India from time to time.
- 22) Reimbursement to pensioners for expenses incurred on super-speciality treatment, can be made by the respective Nodal Officers.
- 23) The Regional Directors/Jt. Directors I/c. have been directed to supply a list of approved hospitals to Pensioners' Associations in their respective areas.

To improve the scheme further, the following clarifications are being issued:-

(a) As of now the medical facility to ESIC Pensioners is being provided through ESIS Dispensary / Hospitals in seven States only (excluding Delhi / Noida) as per agreement with the respective State Govts. an ESIC. Moreover, the states where the medical facilities are being provided through ESIS institutions, the facilities are not comparable with that of Central Govt. Pensioners. In order to provide the similar facility to pensioners residing in different part of country, State Govts. with whom there are no agreement for providing medical facilities to ESIC pensioners are also required to be approached for necessary agreements. However, the major impediment for agreement with the State Govts. might be the amount of reimbursement which is at present with the Insured Persons. Hence, we may consider negotiating with each of the State Govts. on the rate of payment for the facilities offered by them. We may authorize the respective Regional Directors to discuss the issue as a part of the Draft Agreement to be entered into with the states and if payment on the basis of capitation not payable for I.Ps or its multiples or any other formula not agreeable to them, we may finally settle for reimbursement of actual expenses.

(b) In the present scheme, the modalities for reimbursement of expenditure incurred for availing speciality / super-speciality treatment after due reference from the ESIC/ESIS Dispensaries/Hospitals is not specified. Hence, reimbursement of expenditure incurred on cost of medicines, pathological and other tests prescribed by the ESIC / ESIS / Approved Hospitals / Dispensary speciality / super-speciality treatment outside the ESIC / ESIS institutions taken after due reference, shall be made by respective nodal officer at the approved rates and after due scrutiny as presently being done in the case of serving employees.

(c) Pensioners residing in the Catchment Area of the hospitals of ESIC or residing in the area where the ESI Scheme is in force cannot opt for Fixed Medical Allowance. However, in the States where there is no agreement with the State Govts. for providing facilities to

pensioners, the pensioners residing out of the Catchment Area of ESIC Model Hospital/ODC, scheme shall not be obligatory & they would be allowed Fixed Medical Allowances in lieu of OPD treatment till the time Corporation enters into agreement with the respective State Govts.

- (d) T.A. shall be extended to pensioners w.e.f. 01.04.2007 applying the same conditions like that of serving employees.
- (e) In the states where Corporation is not having agreement with the State Govts., the pensioners residing in implemented area but out of catchment area of ESIC Hospitals if the pensioner desires to avail the facilities under the ESI Scheme it shall be provided through AMA. No FMA would be allowed in such cases.
- (f) As of now, the pensioners eligible for FMA can also opt for in-door treatment. In such cases the Indoor Treatment facility should be provided at the first instance through ESIC Hospitals/ESIS Hospital (where agreement with State Govt. exists). In case, such facilities are not available in ESIC/ESIS Hospitals, pensioners may be referred to approved hospitals. No T.A. etc. will be paid to such pensioners for availing Medical Facilities from the designated hospitals.
- (g) The pensioners residing in the area where the facility under the ESIC - PMS is available are not eligible for FMA. However, for availing the medical facility under the scheme, they have to get themselves enrolled by paying the necessary contribution and after following the prescribed terms and conditions. Thus, there is no need to prescribe the time limit for entering into the scheme as by virtue of his residential location a pensioner is *ipso facto* covered under the scheme. However, as per the prevailing provisions, a pensioner not opting for the scheme within the grace period of 3 months will be entitled for superspeciality treatment only after waiting period of six months from the date of his joining the Scheme.

This supercedes the instructions issued earlier on the subject to the extent above.

The above clarifications are issued considering the financial viability of the scheme with a view to render medical care to the ESIC Pensioners on par with Central Govt. Pensioners with necessary modifications in the background of infrastructure available in the form of ESIC Hospitals and tie-up arrangement with the State Govts.

