

PRESS RELEASE

Text of the D.O. Letter dated 11.3.2015 addressed by Thiru O. Panneerselvam, Hon'ble Chief Minister of Tamil Nadu to Shri Narendra Modi, Hon'ble Prime Minister of India is reproduced below:

"I write this letter to invite your kind attention to the proposed move of Employees State Insurance Corporation (ESIC) to withdraw from the medical college projects undertaken by it. Two such projects are located in Tamil Nadu at Chennai and Coimbatore.

My Revered Leader Puratchi Thalaivi Amma has been striving hard to maintain Tamil Nadu's position as a model State in India in the area of preventive and curative health care and to provide world class medical infrastructure for the people of the State. As part of my Revered Leader Puratchi Thalaivi Amma's vision, the Government of Tamil Nadu is encouraging the establishment of state of the art hospitals, medical colleges and also augmenting the medical and health facilities across the State. Tamil Nadu also has a policy of starting at least one Government medical college in every district and the State now has 19 Government medical colleges and 13 self financing medical colleges.

The sudden and drastic decision of ESIC not to further admit students and to exit from medical education has come as a rude shock to the students studying in the college. Of the ESIC's two Medical College projects in Tamil Nadu, the project in Chennai at K.K.Nagar is a functioning Medical College since 2013-14, with an undergraduate intake of 100 students each year and also has 38 postgraduate students on rolls during the current academic year (2014-15). The other project is a proposed Medical College at Coimbatore under construction which is yet to get MCI approval. The uncertainty about the continuance of the ESIC Medical Colleges has fuelled anxiety and agitation amongst the students studying in them. The ESIC on its part has been seeking "in principle" consent of the State Government for taking over these institutions subject to certain conditionalities.

The Medical college and hospital at Chennai is being established at a cost which has been indicated to be Rs.494.62 crores. The proposed Medical College and hospital at Coimbatore is being constructed at an estimated cost which has been indicated to be Rs.580.57 crores. One of the conditions indicated by ESIC is that the State would have to provide Rs.376.42 crores for the Chennai project and Rs.194.81 crores for the Coimbatore project i.e. a total of Rs.571.23 crores as balance liabilities for these two ongoing projects. On this issue, I would like to bring to your notice that the cost at which these Medical College projects have been undertaken is very high, as establishment of a Government medical college and hospital by the State Government works out to only around Rs.200 crores. Even for the Medical Colleges funded through Government of India, the Project cost has been indicated as Rs.189 crores only.

With a view to resolving the uncertainty regarding the continuance of these two Medical College Projects, ensuring that they are not abandoned midway and to allay the fear amongst the students who were legitimately and validly admitted in the college, the Government of Tamil Nadu conveys its "in principle" consent to take over the colleges subject to the following conditions: -

- ✓ The ESI Corporation commits to bearing the entire balance capital cost of Rs.571.23 crores (both building and equipments).
- ✓ The recurring expenditure of the college component will be met from State funds.
- ✓ Recurring expenditure of hospital will be met under the ESI pattern of reimbursement under which 87.5% will be met by Government of India.
- ✓ Staff employed by ESI will be absorbed by the State Government and they should agree to work as per State Government scales of pay and regulations subject to pay protection.
- ✓ Hospital will continue as an ESI hospital for insured patients (industrial workers and their families) as requested by the ESI Corporation.

- ✓ At present, 65% of seats are surrendered to the State Government, 15% to All India quota and 20% for ESI employees. **After take over, the Medical seats must be shared as per the current norms for Government Medical Colleges i.e. 85% for State quota and 15% for All India quota.**
- ✓ The title of the Land and Buildings should be transferred to the State as per the conditionality of the MCI.

I would be happy if you could kindly intervene in this issue and impress upon the concerned Ministries to accept the proposal of the Government of Tamil Nadu".

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