



W.P.(MD)No.3068 of 2019

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 17.08.2022

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THE HONOURABLE MR. JUSTICE M.S.RAMESH

W.P.(MD)No.3068 of 2019

R.Karnan

... Petitioner

/Vs./

1.The Director of Treasuries and Accounts,
Panagal Buildings,
Saidapet,
Chennai – 600 015.

2.The Joint Director,
Medical and Rural Health Services,
Virudhunagar District.

3.The Nodal Officer / Divisional Manager,
New Health Insurance Scheme 2016,
United India Insurance Company,
Sugathi Building, RF Road,
Virudhunagar District – 626 001.

4.The Project Coordinator,
MD Indian Health Care Services (TPA) Pvt. Ltd.,
103/B2, Katcheri Road,
Virudhunagar District – 626 001.

...Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorarified Mandamus, calling for the records pertaining to the order passed by the 3rd respondent Insurance Company vide letter dated 10.10.2018 and quash the same and consequently direct the



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3rd respondent to sanction medical claim to the petitioner being a sum of Rs. 97,127/- under the Tamil Nadu Government's New Health Insurance Scheme (2016-2020).

(Prayer amended vide Court Order dated 14/03/19 in WMP(MD)No.3889/19.)

For Petitioner : Ms.D.Geetha

For Respondents : Mr.A.Sivanupandian

Additional Government Pleader (for R1&R2)

: Mr.A.Shajahan (for R3)

ORDER

The petitioner is the member of the New Health Insurance Scheme, which introduced for Government Employees and Pensioners and he had suffered from Right Varicose Vein, for which, he had undergone treatment in a hospital, which is not under the network hospital in the Scheme of Medical Reimbursement under G.O.Ms.202, Finance (Salaries) Department, dated 30.06.2016.

2.When the claim of the petitioner was placed before the District Level Empowered Committee (hereinafter referred to as “DLEC” for brevity), which is the Committee constituted by the Government headed by the District Collector, having the Joint Director of Medical and Rural Health Services



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Department, the District Treasury Officer and an official representative of the Insurance Company as members, it was favourably recommended for reimbursement to the United India Insurance Company Limited (hereinafter referred to as “Insurance Company” for brevity).

3. Incidentally, during such recommendation, a representative of the Insurance Company was also present. In spite of such recommendation, the Insurance Company had rejected the pensioner's claim, through the impugned order dated 10.10.2018 by quoting the Government Order in G.O.Ms.202, Finance [Salaries] Department, dated 30.06.2016 that they are not liable for reimbursement, if the treatment is taken in a non-network hospital.

4. Under the New Health Insurance Scheme, the grievances of the claimants are placed before the DLEC. When the Insurance Company is itself a part of the DLEC and the DLEC has also favourably recommended the pensioner's claim for medical reimbursement, I am unable to appreciate as to how they could now reject such recommendation.

5. Above all, the authority of the Insurance Company to question the decision taken by a Committee constituted by the Government itself seems to



be questionable. When this aspect was addressed to the learned Standing Counsel appearing for the Insurance Company, he was unable to point out any Regulations or other Government Orders enabling them to overlook the recommendations of the DLEC.

6.Furthermore, the learned Standing Counsel appearing for the Insurance Company also could not point out any other Regulations, which justifies the action in rejecting the DLEC's recommendation, particularly, when they themselves were part of the decision taken by the Committee. In the absence of any Regulation or Government Order, entitling the Insurance Company to discard or overcome the recommendation of the DLEC, there is absolutely no jurisdiction vested with the Insurance Company to reject the same.

7.This apart, the New Health Insurance Scheme, provides for an appeal remedy against the decision taken by the DLEC, to the State Level Empowered Committee (hereinafter referred to as “SLEC” for brevity), Which is the Committee constituted by the Government headed by the Director of Treasuries and Accounts having the Director of Medical and Rural Health Services as Member Secretary or his nominee and an official representative nominated by the Insurance Company as its members.



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8.As provided by the Government Order, the representative of the Insurance Company is also part of the appellate SLEC. Thus, if the Insurance Company was of the view that the DLEC's recommendation was not in conformity with the ambit of the New Health Insurance Scheme, it is always open to them to challenge the same before the SLEC. The scheme does not restrict the appeals only to the claimants and thus, the Insurance Company will be well within its powers to challenge the DLEC's recommendations. When such appeal remedy is available to the Insurance Company, there is neither any authority nor justification on their part to reject the DLEC's recommendation, as done in the present case.

9.Thus, this Court is of the view that the impugned order rejecting the DLEC's recommendation is without jurisdiction and hence, the petitioner would be entitled for the medical reimbursement, as recommended by the DLEC, which shall be payable by the Insurance Company.

10.In the result, the impugned order dated 10.10.2018 is hereby quashed and consequently, there shall be a direction to the Insurance Company to forthwith reimburse the eligible amount, to the petitioner towards the medical



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expenses incurred by him, in the light of the recommendations made by the DLEC dated 25.04.2018, within a period of four (4) weeks from the date of receipt of a copy of this order.

11. This Writ Petition stands allowed accordingly. There shall be no order as to costs.

17.08.2022

Index : Yes / No
Internet : Yes/ No
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To:

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M.S.RAMESH, J.

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Order made in
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