BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT
DATED: 28.02.2022
CORAM:
THE HONOURABLE MR.JUSTICE S.M.SUBRAMANIAM

W.P.(MD) No.14140 of 2021
and
W.M.P.(MD) No.11101 of 2021

Raghurajan ... Petitioner

vs.

1.The Commissioner of Treasury & Accounts
Panagal Building
Saidapet, Chennai-600 015

2.The District Collector
Thoothukudi District
Thoothukudi

3.The Joint Director of Health Service
166, North Beach Road
Thoothukudi, Thoothukudi District

4.The Superintendent of Police
Thoothukudi District
Thoothukudi

5.The District Treasury Officer
Thoothukudi
Thoothukudi District

6.The United India Insurance Company
Divisional Office-VI
PIG Rathina Towers
5th Floor, 2/2 Anna Salai
Chennai

7.KIMS Trivandrum
P.B.No.1, Anayara (Post)
Trivandrum
Kerala State ... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of writ of certiorarified mandamus calling for the records of the impugned proceedings in Na.Ka.K4/8258/20, dated 09.10.2020, issued by the 2nd respondent and impugned proceedings in Na.Ka.No.327/K4/2019-1, dated 11.11.2020 issued by the 3rd respondent as arbitrary and illegal and quash the same and consequently

directing the respondents 1 to 5 sanction the medical reimbursement amount of Rs.94,532/- (Rupees ninety four thousand five hundred and thirty two only) to the petitioner.

For Petitioner : Mr.Indrachithu.T.

For Respondents : Mr.D.Sadiq Raja
Additional Government Pleader for R1 to R5
Mr.A.Shajahan for R6
Mr.M.Muthu Geethian for R7

O R D E R

The order dated 09.10.2020, passed by the second respondent and the consequential order dated 11.11.2020, passed by the third respondent, rejecting the claim of the petitioner for medical reimbursement on the ground that the treatment was undergone in a non-network hospital and the petitioner has not established emergency care as required under the Government Order, are under challenge in this writ petition.

2. The petitioner is a member of the Health Insurance Scheme. The wife of the petitioner underwent medical treatment, which is approved under the Government policy. However, the treatment was undergone in a non-network hospital and under those circumstances, the Government policy contemplates that the emergency care required must be established before the Authority concerned for sanctioning of medical reimbursement. In other words, in respect of the treatment underwent in a non-network hospital, the claimant should establish the emergency care required during the relevant point of time for the purpose of considering the case.

3. In the present case, the District Level Empowered Committee, vide proceedings dated 08.05.2020, recommended the case of the petitioner as eligible in its meeting held on 14.02.2019. When the District Level Empowered Committee recommended the case of the petitioner, there is no reason for the Insurance Company to reject the claim.

4. The District Level Empowered Committee constituted by the Government is headed by the District Collector having the Joint Director of Medical and Rural Health Services Department, the District Treasury Officer and the official representative of the Insurance Company as members. Therefore, when the Insurance Company is also deputing a representative as official member in the District Level Empowered Committee, the recommendations of such Committee are binding on the Insurance Company and after recommending the cases, the Insurance Company cannot turn around and say that they will not consider such cases.

5. It is made clear that the Insurance Company is liable to settle the medical reimbursement claims of the members as per the Scheme. As per the Scheme, the District Level Empowered Committee is the Expert Committee for the purpose of deciding the merits of the application and the aggrieved person may approach the State Level Empowered Committee by way of appeal for redressal. Under these circumstances, the District Level Empowered Committee is constituted by the Chairmanship of the District Collector, wherein the representative of the Insurance Company is also the official member. Therefore, such recommendations made by the District Level Empowered Committee is binding and in such cases, the Insurance Company is liable to settle the claims and if at all the Insurance Company is not agreeable, they are at liberty to approach the State Level Empowered Committee by way of appeal under the Scheme. If the Insurance Company is of the opinion that the State Level Empowered Committee is constituted only to decide the grievance of the members, then it is for the Insurance Company to take up the matter to the Government and resolve the same as per the contractual obligations. Contrarily, the recommended cases cannot be rejected by the Insurance Company and in respect of the rejected cases, the Insurance Company are agreeing with the District Level Empowered Committee. Thus, the Insurance Company cannot approbate one aspect and reprobate another aspect of the decision and deny the claims of the eligible candidates, wherein the District Level Empowered Committee made recommendations considering the emergency treatment underwent by the members of the Scheme.

6. In the present case, the petitioner's wife underwent treatment in a non-network hospital, however, the treatment underwent is within the list of treatments contemplated under the policy. The District Level Empowered Committee recommended the case of the petitioner and in the said Committee, the Insurance Company's representative is the official member. Therefore, there is no reason for unilateral rejection by the Insurance Company without reference to the recommendations of the District Level Empowered Committee. The said unilateral rejection by the Insurance Company is beyond the scope of the Scheme in view of the fact that the Insurance Company representative is also the official member of the District Level Empowered Committee. Thus, two fold options are available to the Insurance Company. Firstly, they may approach the State Level Empowered Committee challenging the decision taken by the District Level Empowered Committee and secondly, they may approach the Government for reimbursement of the amount, which they have settled, in consonance with the terms and conditions of the contract with the Government. Contrarily, the recommended cases by the District Level Empowered Committee, if allowed to be rejected unilaterally by the Insurance Company, then the very purpose and object of the Scheme will be defeated.

7. This being the factum established, the order dated

09.10.2020, passed by the second respondent and the consequential order dated 11.11.2020, passed by the third respondent, are quashed and the sixth respondent - Insurance Company is directed to settle the eligible medical reimbursement claim of the petitioner, within a period of eight weeks from the date of receipt of a copy of this order. However, the Insurance Company is at liberty to take up the matter for reimbursement either before the State Level Empowered Committee or before the Government, if any grievance exists for them.

8. Accordingly, the writ petition is allowed. No costs. Consequently, connected miscellaneous petition is closed.

Sd/-

Assistant Registrar (CS-II)

// True Copy //

/ /2022

Sub Assistant Registrar(CS)

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To:

1.The Commissioner of Treasury & Accounts,
Panagal Building,
Saidapet, Chennai-600 015.

2.The District Collector,
Thoothukudi District, Thoothukudi.

3.The Joint Director of Health Service,
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Thoothukudi, Thoothukudi District.

4.The Superintendent of Police,
Thoothukudi District, Thoothukudi.

5.The District Treasury Officer,
Thoothukudi, Thoothukudi District.

+1 CC to M/s.SPL GP (SR-9222[F] dated 01/03/2022)
+1 CC to M/s.A.SHAJAHAN, Advocate (SR-9357[F] dated 01/03/2022)
+1 CC to M/s.M.MUTHU GEETHAYAN, Advocate (SR-9096[F] dated 28/02/2022)

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RD(11.03.2022) 4P 9C