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W.P.No.5841 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 17.04.2024

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THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

W.P.No.5841 of 2023
and W.M.P.No.5829 of 2023

G.Seetharaman

... Petitioner

Vs.

1.The Director
Medical & Rural Health Services
DMS Complex, 361, Anna Salai
Chennai.

2.The District Collector
Krishnagiri
Krishnagiri District.

3. India Health Insurance (TPA) Pvt Limited
New No.443 & 445, Guna Complex
Anna Salai
Teynampet, Chennai – 18.

4.United India Insurance Company Limited
Rep.by the Divisional Manager
Divisional Office, V Floor
PLA Rathna Tower
No.212, Anna Salai
Chennai – 600 006.

... Respondents



W.P.No.5841 of 2023

PRAYER: Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorarified Mandamus, calling for the records in pursuant to the impugned order of the 3rd respondent by his reference No.GTM091/09/2019 dated 17.09.2019 and consequential order of the 2nd respondent vide his letter in Roc.22980/2020/Q2 dated 10.08.2020 and proceedings No:MU.MU.28983/2020/Q2 dated 14.08.2020 and quash these same and consequently direct the respondents to accept the medical claim petition of the petitioner and reimburse the Medical Expenses of Rs.7,03,921/- with interest at the rate of 24 % per annum for delayed payment and reimburse the same within a stipulated period.

For the petitioner : Ms.Selvi Rajesh

For the respondent: Mr.M.Bindran
Additional Government Pleader
for R1
Mr.C.Jayaprakash
Government Advocate for R2
Mr.K.Poomalai for R4
for R4 – No appearance

ORDER

This Writ Petition is filed challenging the impugned order of the 3rd respondent dated 17.09.2019 and the letter dated 10.08.2020 passed by the 2nd respondent, in and by which the petitioner's claim for reimbursement of his medical expenses is repudiated.

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2. The petitioner was working as a BT Assistant. While so, he was diagnosed with Throat Cancer (Carcinoma in the Right Vocal Cord). The petitioner underwent protracted treatment initially at Manipal Hospital, Bangalore and thereafter at Apollo Hospital, Chennai. The petitioner has so far submitted three bills for medical reimbursement. By a Bill dated 25.07.2017, he claimed reimbursement of Rs.3,27,153/-. Thereafter, having undergone protracted treatment in various hospitals from 13.09.2019 to 31.10.2019 totalling a sum of Rs.1,88,462/- was claimed. Apart from the above, the petitioner had undergone various treatments on different dates and therefore, he made a total claim of Rs.7,03,921/-. Out of the said claim, a sum of Rs.2 Lakhs was authorized by the 3rd respondent on 17.09.2019. However, the balance amount was not reimbursed and therefore, the petitioner had to pay the remaining amount to the said hospital. Thus, the amount is claimed from the respondents.

3. When the claim was made, the 3rd respondent by the impugned order dated 17.09.2019 repudiated the claim, on the ground that they were unable to process the reimbursement as per the G.O.No.202 dated 30.06.2016 and for one occasion, no prior authorization was obtained. Therefore, the petitioner



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approached the District Level Empowered Committee. The District Level Empowered Committee passed an order dated 10.08.2020, rejecting the claim stating that the hospital is not an accredited hospital. As against the rejection, an appeal has been filed before the State Level Committee by the representation dated 03.03.2020. However, till date no further orders have been passed by the State Level Committee and hence the present Writ Petition.

4. *Ms.Selvi Rajesh*, the learned counsel appearing on behalf of the petitioner would submit that firstly the reason mentioned in the impugned order of the District Level Empowered Committee that the hospital is not an accredited hospital is incorrect. As far as the first claim is concerned, it is from the Manipal Hospital and after getting prior authorization only a sum of Rs.2 Lakhs was released by the 3rd respondent. The second treatment was undergone by the petitioner in Apollo Hospital, which is an accredited hospital. Therefore, the said reasoning is without application of mind.

5. She would further submit that in any event, the Division Bench of this Court has categorically held that the claims cannot be rejected on the ground that



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the hospital is not accredited. Similarly, when the petitioner had taken treatment for the throat cancer and the same is not being doubted merely for want of prior authorization, the amounts cannot be withheld or repudiated.

6. Per contra, *Mr.Poomalai*, the learned counsel appearing on behalf of the 4th respondent – Insurance Company would submit that when the petitioner had taken treatment outside the territory of Tamil Nadu in a hospital which is located in Bangalore, the petitioner cannot reimburse the said amounts. In any event, a sum of Rs.2 Lakhs had already been reimbursed. If only the District Level Empowered Committee authorized the petitioner's expenditure, the Insurance Company would have released the same. The District Level Empowered Committee did not recommend and therefore, the respondent – Insurance Company cannot comply with the request made by the petitioner.

7. I have considered the rival submissions made on either side and perused the material records of the case.

8. The matter is no longer res integra. The only reason that is mentioned in



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the impugned order of the District Level Empowered Committee is that the hospital is not an accredited hospital. It is useful to extract paragraph No.5 of the Judgment of the Division Bench of this Court in W.P.(MD) No.25304 of 2018 dated 05.12.2023, which reads as follows:-

“5.The issues regarding the settlement of the medical claim are no more res-integra in respect of the treatment undertaken in a non-network hospital. Several orders have been passed by the Courts to settle the medical reimbursement claim and not to reject the same merely on the ground that the hospital is not falling under the list of network hospitals.”

9. In a catena of decisions, this Court had repeatedly held that when the veracity of the medical expenses incurred by the Government employee is not at all doubted, merely on the ground that the hospital is not an accredited hospital and prior authorization is not granted cannot be the reason to repudiate the medical reimbursement.

10. In view thereof, I find merits in the claim made by the petitioner and the Writ Petition is allowed with the following directions:-

(i) The impugned orders dated 17.09.2019 passed by the 3rd respondent and the letter dated 10.08.2020 and 14.08.2020 passed by the 2nd respondent are



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quashed;

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(ii) The respondents 3 and 4 shall consider the claim of the petitioner and release the payment by calculating the amount as per the bills submitted by the petitioner within a period of eight weeks from the date of receipt of a copy of this order and the amount shall carry interest @ 6 % per annum from the date on which the amount become due till the date of disbursement.

(iii) If necessary for further verification, the petitioner shall resubmit the original bills;

(iv) It will be open for the 4th respondent – Insurance Company to submit a claim with the 1st and 2nd respondents in respect of the interest amount to be paid to the petitioner and get it reimbursed. However, the *inter-se* dispute/claims shall not in any further manner delay the claim of the petitioner;

(v) No costs. Consequently, connected miscellaneous petition is closed.

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Speaking order

Neutral citation : No

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D.BHARATHA CHAKRAVARTHY, J.,

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To

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Medical & Rural Health Services
DMS Complex, 361, Anna Salai
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2.The District Collector
Krishnagiri
Krishnagiri District.

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