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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ W.P.(C) 16204/2024 & CM APPL. 68092/2024

KMC HOSPITAL AND RESEARCH CENTRE .....Petitioner

Through: Mr. Mahabir Singh, Senior Advocate with Mr. Veerendra Kumar, Mr. Brijesh Kumar Sangwan and Ms. Sthavi Asthana, Advocates.

versus

QUALITY COUNCIL OF INDIA & ORS. .....Respondents

Through: Mr. Vikas Chopra and Mr. Neeraj Kumar and Ms. A. R. Mishra, Advs. for R-1 & 2.
Mr. Nishant Gautam, CGSC with Ms. Sanjana Mehrotra, Mr. Mayank Sharma, Mr. Ajay K., Mr. Vijay Kaushik and Mr. Vipul Verma, Advs. for R-3.

CORAM:
HON'BLE MR. JUSTICE SANJEEV NARULA

O R D E R

% 22.11.2024

1. The Petitioner, KMC Hospital and Research Centre, is aggrieved by the denial of renewal of its accreditation by the Respondents and in particular the recent communication dated 10th October, 2024 directing them initiate the process by submitting a fresh application for the same.

2. Quality Council of India,[1] Respondent No. 1, is an autonomous body established by the Ministry of Commerce and registered under the Societies Registration Act, 1860. Its function is to establish an accreditation structure

[1] "QCI"

and to ensure movement in India by undertaking a National Quality Campaign. National Accreditation Board for Hospitals Healthcare Providers,[2] Respondent No. 2, is a constituent board of QCI.

3. Petitioner asserts that they are a premier healthcare institution offering cutting-edge specialty services across various domains, including cancer treatment. The Petitioner was accredited with NABH for two consecutive accreditation cycles being 6th August, 2017 to 5th August, 2020 (1st cycle) and 6th August, 2020 to 5th August, 2023 (2nd cycle). It is asserted that on 16th March, 2023, Petitioner submitted an application for renewal of its accreditation along with the requisite fees. In response, through communication dated 5th June, 2023, Respondent No. 3 informed the Petitioner that their application was under review.

4. On 2nd August, 2023, the Petitioner was notified that Respondent No.2 would extend the validity of accreditation until 5th November, 2023 or until a decision on the renewal application was rendered. Subsequently, a renewal assessment was conducted at the Petitioner-Hospital by a team appointed by Respondent No. 2 from 1st September, 2023 to 3rd September, 2023.

5. The Petitioner received an email communication dated 6th November, 2023 highlighting certain deficiencies identified during the assessment. The Petitioner was called upon to explain why the accreditation should not be denied due to the cited non-compliances. The Petitioner furnished their reply and a verification assessment was carried out on 6th December, 2023 to 7th December, 2023 as per NABH 5th Edition standards. Thereafter, Respondent No. 2 by communication dated 21st December, 2023 informed the Petitioner that the Accreditation Committee had decided not to recommend the

[2] "NABH"

renewal of accreditation.

6. In terms of NABH Scheme, the Petitioner exercised its right to appeal and submitted a departmental appeal on 16th January, 2024. However, this appeal was rejected through a communication dated 2nd February, 2024.

7. Aggrieved by the afore-noted order, the Petitioner highlighted their concerns relating to the accreditation process to the Secretary General, QCI through letter dated 12th June, 2024. This was followed by a detailed representation submitted on 23rd August, 2024. The Petitioner asserts that they also engaged in numerous telephonic discussions, meetings, and correspondence with the Respondents, without any resolution.

8. On 10th October, 2024, Respondent No. 1 issued a communication to the Petitioner, conveying its decision as follows:

Ref. No: - SG/QCI/2087 October 10, 2024

Dr. Sunil Gupta
Surgeon & Chairman
KMC Hospitals and Research Centre, Meerut

Reference: 1) Hospital Accreditation Program: H/2023/RA00338
2) CGHS: HOS/2024/C1161
3) QCI letter no SG/QCI/2086 dated 08-10-2024

Dear Dr. Gupta,

The committee appreciates your quality commitment and willingness to submit a quality improvement plan. After our interactions and as discussed, we shall proceed with a pilot handholding plan for KMCH Hospital. The committee has decided to review your submission for accreditation and empanelment. Towards this, the suggested steps are as follows;

Actions by QCI

	Action Item	Comments
1.	**Chief Mentor allocation**	**Air Marshal Dr. Pawan Kapoor (Retd.)** would be the Chief Mentor during the handholding phase for the hospital. Chief Mentor will advise the procedures for resolving the existing NCs and will advise the requirements to meet the 5th edition accreditation standards. Chief Mentor will have a weekly interaction with you and your team.
2.	**Quality Ambassador allocation**	For knowledge transfer pertaining to NABH Standards, on-ground support, Dr Latha Venkatesan, Principal College of Nursing, AIIMS, New Delhi will handhold the Quality Management Team at KMCH Hospital as Quality Ambassador.
3.	**Visit for Accreditation**	Post satisfactory quality improvement agreed between you and chief mentor, you are requested to indicate the readiness of visit by Accreditation team, an independent team appointed by SG will visit the hospital and carryout the inspection for accreditation as per NABH norms.

Please note that this does not guarantee Accreditation, Certification, Empanelment, or any other service from NABH—it is an action by QCI to further quality excellence amongst its stakeholders. Since the Accreditation Standards have changed, you must also apply afresh. If your application is uploaded before December 2024, evaluation will be based on Accreditation Standard Version 5.

Action by KMCH

To carry above activities, we request you to share the following before we start the handholding process, rest assured we intend to equip you in this journey to serve the people in the healthcare sector in your area;

1. Written Consent to comply with the closure of NCs and fulfilling the requirement of 5th edition of NABH Accreditation Standards.

2. Details of the Quality Management team at the hospital with the QCI team (an assurance in the form of undertaking that you will retain the Quality Management Team)
3. Dedicated SPOC to co-ordinate with the Quality Ambassador and Chief Mentor
4. Weekly Calendar with the Chief Mentor to discuss best practices and accelerate the implementation of his suggestions. The Chief Mentor will submit the weekly progress report to the SG office. Meeting cadence with Quality Ambassador.
5. KMCH will bear the travel and lodging related to Quality Ambassador and Chief Mentor.

Please note that as and when KMCH decides to avail NABH's services (Accreditation, Certification, Empanelment, among others) post the handholding phase, Neither the 'Mentor' nor the 'Quality Ambassador' would be present to ensure impartiality in NABH's Accreditation Process. The handholding initiative is a **one-time exercise and should be held confidently between** both parties (QCI and KMCH).

Post-accreditation process, we request you put the following safeguards;

1. Ensure quality doesn't deteriorate after the audit
2. Quality team deployment is to be maintained at the pilot level.
3. The KMCH Quality Team should report to the mentor every quarter to demonstrate quality improvement, brainstorm any open issues, and ensure adequate time commitment by the quality teams.
4. Unsatisfactory progress in any of the above actions will result in a re-audit or rejection of the accreditation/empanelment status.

We request your continued cooperation to ensure the pilot's success. Your consent and cooperation are vital for the kick-off meeting with the Chief Mentor. Once we receive the above information, we can proceed with the planning. We intend to close the kick-off meeting and initial plan sign-off over 15 days.

At QCI, it is our prerogative that the quality excellence journey across India. We support initiatives by our stakeholders, considering the highest levels of integrity and sanctity in our accreditation processes across various Boards.

Please reach out to our office in case you have any further queries.

With regards,

(Chakravarthy Kannan)
Secretary General

9. Aggrieved with the afore-noted communication, Mr. Mahabir Singh, Senior Counsel for Petitioner, argues that the Petitioner's primary grievance pertains to the directive requiring them to file a fresh application for evaluation under Accreditation Standard Version 5. This, he argues, is unwarranted, given that the verification assessment was already conducted in accordance with the NABH 5th Edition standards. He further contends that non-extension of the Petitioner's accreditation validity would expose the Petitioner to significant financial losses, as accreditation is a mandatory

condition for empanelment with organizations such as ECHS, CGHS, and PMJAY from 6th December, 2023 and in absence thereof, the Petitioner-Hospital faces threat of closure.

10. Furthermore, he urges that initiating the accreditation process afresh would unnecessarily prolong the renewal process by 6 to 9 months, despite Petitioner's timely renewal application and payment of requisite fees. Such a requirement, he contends, is arbitrary and unreasonable. Mr. Singh also highlights the established practice of Respondents No. 1 and 2 in granting extensions to hospitals pending a final decision on their renewal applications. Reliance is placed on extensions previously granted to the Petitioner through communications dated 2nd August, 2023 and 6th November, 2023.

11. The Court has considered the afore-noted contentions but remains unpersuaded. It is undisputed that Petitioner's application for renewal was rejected, and its departmental appeal met with the same fate. Counsel for Respondents No. 1 and 2, Mr. Vikas Chopra, has clarified that upon rejection of an application, the applicant is mandated to submit a fresh application. The communication dated 10th October, 2024, in the Court's view, merely conveyed this standard procedure in response to the Petitioner's persistent follow-ups with Respondent No. 1. Consequently, the directive requiring the Petitioner to apply afresh cannot be deemed arbitrary or unreasonable.

12. Since the earlier application was rejected, the accreditation process must necessarily begin anew. Mr. Chopra apprises the Court that the Petitioner has indeed submitted a fresh application under application No. T-H/2024/N03231 on 12th July, 2024. He further highlights that the

Petitioner's application for renewal was incomplete as the requisite fee with the application was not paid. In such circumstances, the Court finds no justification to interfere with the impugned communication.

13. In light of the above, the present petition is disposed of with the following directions:

i. Petitioner shall file a fresh application or rectify their application dated 12th July, 2024 bearing No. H/2024/N03231, if so advised, within a period of one week from today.

ii. If such application is filed, Respondents No. 1 and 2 shall expeditiously initiate the assessment process and render a decision on the Petitioner's application within two months from today.

14. The timelines set by this Court shall adequately address the Petitioner's concern regarding delays in the renewal of accreditation upon the submission of a fresh application.

15. With the above directions, the present petition, along with pending application, is disposed of.

SANJEEV NARULA, J

NOVEMBER 22, 2024
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