IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 21.03.2025

CORAM:

THE HONOURABLE MR. JUSTICE **D.BHARATHA CHAKRAVARTHY**

W.P.No.9770 of 2025
and W.M.P.No.10949 of 2025

CARE HEALTH INSURANCE LIMITED,
REP. BY ITS MANAGER,
SHOBHIT SRIVASTAVA,
REGD. OFFICE,
5TH FLOOR, 19, CHAWLA HOUSE,
NEHRU PLACE, NEW DELHI – 1100 019. ... Petitioner

Vs

1. THE INSURANCE OMBUDSMAN
OFICER OF THE INSURANCE OMBUDSMAN,
(TAMLINADU & PUDUCHERY),
FATHIMA AKHTAR COURT,
4TH FLOOR, 453, ANNA SALAI,
TEYNAMPET, CHENNAI - 600 018.

2. M. LATHA ... Respondents

Prayer: Writ Petition filed under Article 226 of Constitution of India for the issuance of Writ of Certiorari, calling for records relating to the award No.IO/CHN/A/HI/0700/2024-2025 dated 29.01.2025 passed by the first respondent and quash the same.

For Petitioner : Mr.K.Kumaran

ORDER

The writ petition is filed challenging the impugned order made in No.IO/CHN/A/HI/0700/2024-2025 dated 29.01.2025 passed by the first respondent, the Insurance Ombudsman. By the impugned order, the first respondent directed the reimbursement of the medical expenses of the second respondent.

2. In this case, the second respondent had a medical claim policy. The first policy was for the period from 17.02.2023 to 16.02.2024. Subsequently, there was another policy for the period from 17.02.2024 to 16.02.2025. While so, the second respondent's husband met with a road accident on 05.12.2023 and was discharged on 01.02.2024. A claim was made and the claim was settled for the entire amount assured, i.e., Rs. 7,00,000/- and a no claim bonus of Rs.70,000/-, in all totaling to Rs. 7,70,000/-. Thereafter, he was admitted to the hospital again on 08.02.2024. After protracted treatment, he ultimately died on 20.03.2024. Citing the second policy, reimbursement was claimed once again. However, the claim was repudiated. Aggrieved by this, the second respondent approached the first respondent. By the impugned award, the first

respondent directed the petitioner insurance company to reimburse the amount. Aggrieved thereby, the present writ petition is filed.

3.The learned counsel appearing for the petitioner submits that the subject matter of the policy is a medi claim policy. If in a particular year, the amount is exhausted, there cannot be any further claim, even if there is subsequent hospitalization. According to him, the first policy starts on 17.02.2023 and ends on 16.02.2024. During this period, in the month of December, the second respondent's husband was already hospitalized and the entire claim amount, including the bonus was reimbursed. However, the second hospitalization also started on 08.02.2024, which is within the first policy period. In this regard, the learned counsel relies on Clause 6.1.2(v) to contend that the date of loss will be reckoned from the date of admission to the hospital. The said clause is extracted here under:-

> *(v) Date of Loss' under Reimbursement Facility is the 'Date of Admission' to Hospital in case of Hospitalization & actual Date of Loss for non-Hospitalization related Benefits.*

4. Therefore, according to him, if the date of loss falls within the period of the first policy and the policy has already been exhausted, the amount cannot be claimed. Alternatively, he submits that, in this case, it can be seen

that after protracted treatment, the second respondent's husband was discharged from the hospital and his condition relapsed. His second hospitalization occurred again within a period of 45 days. If the second hospitalization is within a period of 45 days, the claim can only be treated as a single claim. Therefore, if it is treated as a single claim, the amount exceeding Rs. 7,70,000/- cannot be reimbursed. The said Clause 3(K) is extracted below for ready reference:-

> *3(k) If the Insured Person suffers a relapse within 45 days from the date of last discharge/consulation from the Hospital for which a claim has been made, then such relapse shall be deemed to be part of the same Claim and all the limits of Per Claim Limit under this Policy shall be applied as if they were under a single claim.*

5. I have considered the said submission made by the learned counsel appearing for the petitioner.

6. It can be seen that, as far as the first hospitalization is concerned, it was covered under the first policy starting from 17.02.2023 to 16.02.2024 and the insurance company has reimbursed the amount. Even though the second hospitalization started on 08.02.2024, it continued beyond the first policy period. In the meantime, the second policy came into force and the

hospitalization continued into the second policy period, after which the second respondent's husband passed away. Therefore, the claim also relates to the second policy period.

7. In this regard, the learned counsel appearing for the petitioner relies upon Clause 6.1.2(v). That clause should be construed with reference to the date of commencement of the loss when the insurance policy itself expired. However, that cannot be applied where a subsequent policy has also been issued. Further, with reference to the argument regarding the single hospitalization, if the condition relapses within the same policy period, it can be claimed as a single claim. But when the hospitalization extends into the second policy period and the claim falls under two different policies, I am of the view that Clause 3(k) cannot be applied. Therefore, I do not agree with the arguments of the learned counsel for the petitioner. The first respondent, the Ombudsman, has correctly applied its mind and passed an award.

8. Accordingly, finding no merit, the writ petition stands dismissed. Consequently, connected miscellaneous petition is closed. No costs.

21.03.2025

Neutral Citation: Yes/No
nsl

D.BHARATHA CHAKRAVARTHY, J.

nsl

To

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