



W.A(MD)No.1531 of 2019

WEB COPY BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 23.06.2025

CORAM:

**THE HONOURABLE MR.JUSTICE S.M.SUBRAMANIAM
and
THE HONOURABLE DR.JUSTICE A.D.MARIA CLETE**

**W.A(MD)No.1531 of 2019
and
C.M.P(MD)No.12242 of 2019**

- 1.The State of Tamil Nadu,
Represented by the Joint Secretary to Government,
Home (Court-V) Department,
Secretariat, Fort St.George,
Chennai.
- 2.The Joint Director of Medical and Rural Health Service,
Thoothukudi,
Thoothukudi District.
- 3.The District Collector,
Collectorate,
Thoothukudi,
Thoothukudi District.

... Appellants/Respondents 1 to 3

vs.

- 1.Mary Thilagavathi,
W/o.K.Ephrem,
No.1/38, Dharmar Street,
Periyathalai-628 705,
Thoothukudi District.

... 1st Respondent/Writ Petitioner



W.A(MD)No.1531 of 2019

WEB COPY

2.United India Insurance Company Limited,
Regional Office 010600,
5th Floor PLA Rathan Tower,
212, Anna Salai, Chennai - 600 006.

3.Star Health and Allied Insurance Company Limited,
Represented by its District Coordinator,
Branch Office, No.58, 4th Floor,
Goods Shed Street,
Madurai - 625 001.

... Respondents 2 & 3/
Respondents 4 & 5

PRAYER : Writ Appeal filed under Clause 15 of the Letters Patent against the order dated 01.11.2018 made in W.P(MD)No.7056 of 2016 on the file of this Court.

For Appellants : Mr.S.P.Maharajan
Special Government Pleader

For R – 1 : Ms.Rohini
for Mr.S.Rajasekar

For R – 2 : Mr.A.Shajahan

For R – 3 : Mr.S.Anwar Sameem

JUDGMENT

(Judgment of the Court was delivered by S.M.SUBRAMANIAM, J.)

The writ order dated 01.11.2018 passed in W.P(MD)No.7056 of 2016 is under challenge in the present writ proceedings.



W.A(MD)No.1531 of 2019

WEB COPY

2.The State preferred the Writ Appeal mainly on the ground that, as per the New Health Insurance Scheme for employees of the Government Departments, the maximum limit of Rs.2,00,000/- is the only amount to be paid to the employee who has undergone medical treatment. It is not as if the Government is obligated to settle the entire medical reimbursement amount as such sought for by the claimants.

3.The learned Special Government Pleader appearing for the appellants would submit that the claimants, at their choice, are taking treatment and therefore, the medical expenses may differ from employee to employee. Hence, the Government has fixed a ceiling and as per the ceiling, the first respondent is entitled to receive a sum of Rs.2,00,000/- towards medical reimbursement.

4.The learned counsel appearing for the first respondent would submit that the actual medical expenditure suffered by the first respondent is to be settled.



W.A(MD)No.1531 of 2019

WEB COPY

5.The learned counsel appearing for the second respondent would submit that as far as the United India Insurance Company Limited is concerned, the Government entered into a contract with the United India Insurance Company on 29.06.2012 and therefore, the Insurance Company is an unnecessary party in the present litigation.

6.This Court is of the considered view that the Medical Insurance Scheme is a welfare scheme. It is not a part of service conditions, but an additional facility provided to the Government employees. Therefore, it is to be implemented scrupulously in accordance with the terms and conditions of the scheme. Medical Insurance Scheme being a special scheme must be implemented by ascertaining the eligibility and the limit fixed under the Scheme. More so, the scheme remains unchallenged, therefore, the first respondent cannot seek reimbursement of the entire medical expenses suffered by her beyond the ceiling prescribed under G.O.Ms.No.174, Finance (Salaries) Department, dated 28.04.2008.

7.The learned Single Judge has not considered the scope of the New Health Insurance Scheme for employees of Government Departments issued in



W.A(MD)No.1531 of 2019

WEB COPY

G.O.Ms.No.174, Finance (Salaries) Department dated 28.04.2008. In the event of disbursing the entire medical expenditure without reference to the ceiling, the same would result in an anomalous situation wherein the Government employees will take treatment at their choice in various hospitals and the medical expenses may differ from one claimant to another. In order to maintain uniformity amongst the Government employees, the Government has fixed the ceiling, which cannot be found to be illogical or irrational.

8. Accordingly, the writ order impugned, dated 01.11.2018 passed in W.P(MD)No.7056 of 2016 is set aside and the Writ Appeal stands allowed. There shall be no as to costs. Consequently, connected Miscellaneous Petition is closed.

[S.M.S.,J.] & [A.D.M.C.,J.]
23.06.2025

NCC : Yes / No
Index : Yes / No
Internet : Yes
ps



W.A(MD)No.1531 of 2019

WEB COPY

To

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WEB COPY



W.A(MD)No.1531 of 2019

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ORDER MADE IN
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