DATE OF FILING : 22.11.2022

IN THE CONSUMER DISPUTES REDRESSAL COMMISSION, IDUKKI

Dated this the 29th day of November, 2024

Present :

SRI. C. SURESHKUMAR PRESIDENT
SRI. AMPADY K.S. MEMBER

CC NO.183/2022

Between

Complainant : Lalu Joseph, S/o. Joseph,
Vadakkeveettil House,
Chakkupallam P.O.,
Kumily, Idukki – 685509.
(By Advs: Babicehen V. George,
Shine Varghese, Shaiju Xavier K.
& Subymol K.J.)

And

Opposite Party : The Authorised Signatory,
Claims Department,
Star Health and Allied Insurance
Company Ltd.,
Zonal Office, 4th Floor, Carmel Towers,
Cotton Hill P.O., Vazhuthacaud,
Thiruvananthapuram – 685509.
(By Adv: K. Pradeepkumar)

O R D E R

SRI. C. SURESHKUMAR, PRESIDENT

1. This case originates from a complaint filed under Section 35 of the Consumer Protection Act of 2019 (the Act, for short). Case of the complainant is briefly discussed hereunder :

Complainant had taken a medical insurance policy for himself and his family as beneficiaries, commencing from 12.8.2021, from opposite party. Policy period was from commencement date to 11.8.2022. During the subsistence of policy, son of the complainant Alphonse Lalu was diagnosed with Synovitis Left knee- Oligoarticular Juvenile Idiopathic arthritis, during the month of May, 2022 and was treated for the said ailment at St. Mary's hospital, Thodupuzha. Complainant had spent Rs.67,726/- for his treatment. By virtue of the policy, complainant was entitled for cashless treatment for his son. However, opposite party had denied pre-authorization request for cashless treatment. Thereafter complainant had paid the expenses incurred and submitted claim for reimbursement along with relevant records and medical documents. Opposite party

had sent a letter dated 16.8.2022, denying the claim stating that first consultation details and investigation conducted prior to admission have not been furnished. Complainant submits that he had already submitted all relevant and available records as demanded by opposite party. Denial of claim was without hearing complainant. Reason for denial is untenable. Opposite party haswantonly denied the rightful claim of complainant.Complainant had issued a lawyer notice on 5.10.2022 to opposite party calling upon him to pay the insurance amount. Though notice was received by opposite party on 17.10.2022, there was no response from his side. Denial of claim amounts to deficiency in service and unfair trade practice. Sum assured as per policy is Rs.3 lakhs and conformably covers claimed amount. Complainant prays for reimbursement of treatment expenses of Rs.67,726/- with 12% interest from opposite party from 16.8.2022, till realisation. He also seekscompensation of Rs.25,000/- for mental agony and harassment owing to deficiency in service and litigation costs.

2. Opposite party had entered appearance and filed written version disputing the claim. Its contentions are briefly discussed hereunder :

Opposite party admits that complainant had taken Family Health Optima policy which provides coverage for himself, his wife and 2 children. Policy period was from 12.8.2021 to 11.8.2022 and sum assured was Rs.3 lakhs. At the time of issuance of policy, complainant was supplied with terms and conditions of policy. These were explained to complainant when he had given the proposal form. A copy of same was served to the complainant along with policy schedule. Insurance contract as evidenced by the policy was subject to conditions and clauses and exclusions mentioned therein. During the policy period, opposite party had received request for cashless hospitalization from St. Mary's Hospital, Thodupuzha with regard to treatment of Alphonse, son of complainant who was admitted there on 25.5.2022 with complaints of pain and swelling of left knee with history of fall from bicycle 3 months earlier. He was provisionally diagnosed with sprain of ACL left knee. Upon receipt of pre-authorization request, opposite party had issued a query letter dated 28.5.2022 to hospital asking them to submit first consultation document immediately after injury, details of injury and treatment planned. Accordingly, hospital had forwarded consultation papers issued by Dr. Thomas Mathai dated 11.5.2022, 12.5.2022 and 26.5.2022. From the available documents, opposite party was unable to ascertain duration of infirmity. Since further evaluation was necessary, opposite party had no other option but to deny the pre-authorization request. This was intimated to hospital and complainant as per latter dated 1.6.2022. After treatment, son of complainant was discharged on 3.6.2022. Thereafter complainant had preferred claim for reimbursement along with necessary documents and hospital records. In the discharge summary, final diagnosis was shown as Synovitis left knee-? oligoarticular juvenile idiopathic arthritis. To process the claim, opposite party had again issued a query letter seeking clarification from treating doctor with regard to exact details of present complaint, a declaration stating the exact circumstances

of injury with date, first consultation details, investigation conducted prior to admission, pre and post X-ray filmsand copy of complete set of inpatient case sheet records. In response, complainant had sent a letter stating that his son had an accident on 27.2.2022 while riding a bicycle. He had consulted Dr. Thomas Mathai, after pain had commenced on 11.5.2022. However, complainant had not submitted first consultation details, investigation taken prior to admission. Without the requisite documents, opposite party was unable to decide admissibility of claim. Hence opposite party had no other option but to repudiate the claim for non-submission of required documents. This was informed to complainant as per letter dated 16.8.2022. As per condition No.4(18) of policy, insured person shall obtain and furnish to the company all original bills, receipts and documents upon which claim was based as such, other information and assistance as the Company may require. This has not been complied with the complainant. Upon repudiation of claim, complainant had given a request for return of original documents submitted by him for reimbursement of claim. Based on this request, opposite party had returned the documents along with letter dated 6.9.2022. There is no deficiency in service or unfair trade practice from the part of opposite party. Complainant has not suffered any mental agony, pain or loss on this count. Opposite party is not entitled to compensate the complainant as he had not fulfilled the terms and conditions of policy. There is no cause of action. Complaint is to be dismissed with costs.

3. After the filing of written version, case was posted for steps and then for evidence. From the side of complainant, he himself was examined as PW1 and Exts.P1 to P12 were marked. No oral evidence was tendered by opposite party. Exts.R1 to R9 were marked without formal proof from its side. Evidence was closed and both sides were heard upon the adjourned date of hearing. During the course of hearing, learned counsel appearing for the complainant submitted that complainant is prepared to produce the documents mentioned in paragraph 4 of the written version. Able counsel for opposite party submitted that it was constrained to repudiate the claim due to nonproduction of documents. However, considering the evidence tendered in this case, we do not think that it would be necessary, as this may prolong this old case further and further for the reason that both sides have not given any undertaking in writing signed by parties in this regard. After conclusion of final hearing, case was taken for orders. Now the points which arise for consideration are :

1) Whether there was any deficiency in service from the side of opposite party ?
2) Whether complainant is entitled for the reliefs prayed for ?
3) Final order and costs ?

4. Point No.1 :

Before venturing to consider the case on merits, we would advert to the admitted facts first. Consumer-service provider relationship is admitted. Opposite party admits that a medical insurance policy was taken by complainant providing coverage for

himself and his family including his son Alphonse Lalu.Period of policy, sum assured and correctness of bills for treatment expenses are not in challenge by opposite party. Infirmity for which treatment was given is also during the subsistence of policy.

The only question which survives is whether repudiating cashless facility and claim for reimbursement made subsequently as such was justified for the reasonsgiven by opposite party or not ?

Evidence tendered in this case consists of testimony of PW1, the complainant himself. He has given evidence supporting the pleadings contained in the complaint and documents produced by him.No fatal admissions have surfaced during his cross examination. Exts.P1 to P12 were proved by him. Ext.P1 is the policy itself. Ext.P2 is letter denying pre-authorization request for cashless treatment dated 1.6.2022, its copy has been marked as Ext.R5. Ext.P3 is discharge summary issued from St. Mary's Hospital, Thodupuzha. Period of treatment was 25.5.2022 till 3.6.2022. Ext.R6 is copy of the summary. Ext.P4 are copies of inpatient bills totaling to Rs.67,726/- issued from the hospital. Ext.P5 is letter sent by opposite party dated 7.7.2022 seeking additional information and documents with regard to the treatment. Similar document dated 8.7.2022 is marked as Ext.R7. Ext.P6 is a treatment certificate issued from St. Mary's hospital, Thodupuzha dated 22.7.2022. Ext.P7 is claim repudiation letter dated 16.8.2022. Its copy is marked as Ext.R9. Ext.P8 is copy of lawyer notice issued by complainant to opposite party dated 15.10.2022. Ext.P9 is postal receipt and Ext.P10 is postal AD Card evidencing service of notice upon opposite party. Ext.P11 is letter sent by opposite party dated 6.9.2022, whereby opposite party had returned the original documents submitted by complainant on the basis of request made by him. Ext.P12 is reply notice sent by opposite party to Ext.P7 lawyer notice.

Coming to the documents submitted from the side of opposite parties, as mentioned earlier, Exts.R6 and R9 are copies of documents proved from the side of complainant, Ext.R7 differs from Ext.P5 in the matter of date. Ext.R7 is dated 8.7.2022 whereas Ext.P5 dated 7.7.2022. Ext.R1 is copy of terms and conditions of the policy along with covering letter sent by opposite party to complainant upon acceptance of proposal. Ext.R2 is pre-authorisation request for cashless facility sent from St. Mary's hospital, Thodupuzha. Ext.R3 is a letter dated 28.5.2022 sent by opposite party to the hospital seeking additional information regarding pre-authorization request for cashless treatment. We notice that a reply sent by treating doctor Dr. Tills P. Mathew is also produced along with Ext.R3. Ext.R4 series 3 in numbers are photocopies of prescriptions dated 11.5.2022, 12.5.2022 and 26.5.2022 given by Dr. Thomas Mathai who had initially treated the insured / injured person. There is also a photocopy of observation made on 27.5.2022 by the attending doctor at St. Mary's hospital, Thodupuzha after considering the 3 prescriptions mentioned above. Ext.R8 is photocopy of a letter sent by complainant to opposite party dated 28.7.2022.

Complainant has given evidence that 3 months prior to admission of his son in St. Mary's hospital, Thodupuzha, he (son) had sustained an accidental injury to his left knee owing to fall from bicycle. Ext.R4 series 3 in numbers would go to show that first consultation was on 11.5.2022. This doctor was seen again by complainant on 12.5.2022 and lastly on 26.5.2022. We notice from R4 series that investigation by taking X ray and MRI was also recommended by the doctor. Thereafter complainant had admitted his son in St. Mary's hospital, Thodupuzha on 27.5.2022, for expert management, apparently. He was admitted in the hospital from 27.5.2022 till the date of discharge which is 03.6.2022. It is not as if complainant had taken his son to a medical person immediately after sustaining injury on 27th of February. Pain and swelling had commenced, going by P3 after the traumatic injury. First doctor was consulted after 3 months of accident. Probabilities are that the injury was not taken seriously by complainant. Last date of consulting the first doctor or rather the initial doctor was 26.5.2022. Admission to the hospital, as mentioned earlier, was on the next day. P3 reveals that detailed investigation was conducted from the Hospital. Final diagnosis was oligoarticular juvenile idiopathic arthritis. We notice that Synovitis left knee is also mentioned with a question mark before the diagnosis. In the presentation column in P3, it is stated that history given was of trauma (fall from cycle) and that boy was admitted with complaints of pain and swelling of left knee of 3 months duration. All this would make it clear that admission of boyin St. Mary's hospital, Thodupuzha was for the purpose of further investigation as suggested by the initial doctor and for necessary treatment. Going by Exts.P3 and P6, it can be seen that investigation had commenced upon suspected Synovitis of left knee. Synovitis is inflammation of synovial membrane lining a joint which can be caused either by trauma or other reasons. Cause of the same is to be ascertained and therefore further investigation was necessary. This was done in St. Mary's hospital, Thodupuzha. Investigation conducted from the hospital are X-ray of the affected knee and MRI scanning. Ext.P6 also reveals that patient had undergone arthroscopic synovitis to ascertain the reason or rather cause of inflammation of joint. Biopsy was also taken. After all investigations, doctors had recommended treatment for the infirmity which according to them was oligoarticular juvenile idiopathic arthritis. This is a special type of arthritis commonly found in children below sixteen years of age where ordinarily four or fewer joints are affected, mostly large joints. Synovitis is a hallmark feature of JIA and refers to inflammation of synovial membrane. This inflammation is central to the joint symptoms experienced by children with JIA.Most probably this medical condition of the child was triggered by the fall from bicycle, since in JIA an overactive immune system triggers inflammation in synovial membrane.

At this juncture, we would advert to the policy period in this case. As per Ext.P1, policy has commenced on 12.8.2021. It was valid till midnight of 11.8.2022. Injured had fallen down from the bicycle on 27th of February, 2022, which is between the policy period. This is born out from Ext.R8 letter. Since symptoms did not subside,

complainant had taken the child initially to Dr. Thomas Mathai on 11.5.2022. Same doctor was visited again on 12.5.2022 and lastly on 26.5.2022. As per Ext.P3, the boy was admitted to St. Mary's hospital, Thodupuzha on the next day, that is, 27.5.2022. This would indicate that all the investigations directed to be done by the first doctor were conducted in St. Mary's hospital. X-ray was taken, MRI scan was taken, arthroscopy was done, biopsy was taken from the injured joint also. Investigation commenced with suspected synovitis of left knee and ended with a conclusive finding that the boy had oligoarticular juvenile idiopathic arthritis. Opposite party does not challenge the investigations done in St. Mary's hospital. It has not asked the child to be taken to any of it's panel doctors for further investigations or enquiry. Instead, more and more documents were sought for without specifically mentioning the purpose.

Initially, it was in connection with pre-authorisation for cashless treatment. Ext.R3 is the letter sent seeking documents relating to first consultation doctor immediately after the injury and treatment plan. Details of injury also asked for. According to opposite party, these documents or details were not furnished. Ext.R2 is the request sent for authorization of cashless treatment. Therein details of the injury sustained are clearly mentioned. It was also stated that the boy was under conservative management. It is admitted in written version that R4 series of prescriptions given by the initial doctor marked as Ext.R4 series were submitted from hospital. That being so, we can say that opposite party was not justified in refusing cashless treatment. Considering the entire evidence on record, we do not think that the opposite party was justified in repudiating the claim for reimbursement also. In response to the claim preferred for reimbursement of treatment expenses,Ext.R7 was sent by opposite party. As per Ext.R7, five clarifications are shown to be required as necessary for processing the claim. As per Sl. No.1, complainant was asked to clarify from treating doctor exact duration of 'presenting complaints'. It is clear from Ext.P3 that the boy had complaints of pain since his fall from bicycle on 27th February. There was swelling on left knee also. We may add that these are all queries regarding information elicited by clinical examination of the patient.Exactness with regard to symptoms cannot be possibility given; only information gathered from clinical observation and history elicited from the patient or others can be given which may not be 100% exact. 2nd document sought for is a declaration stating the exact circumstances of injury with date. We notice that a letter dated 31.5.2022 was given by treating doctor giving exact description of injury. A copy of this letter dated 31.5.2022 is produced by opposite party along with Ext.R3. Ext.P6 is a treatment certificate given by same doctor dated 22.7.2022 again describing the nature of illness, investigation done and the treatment given from the date of admission till discharge. Ext.R8 is a letter given by complainant dated 28.7.2022 giving the date of incident which had triggered the onset of pain and other symptoms relating to JIA.What more is required, we are at a loss to understand. First consultation details and investigations taken prior to admission are sought for as Sl. No.3. Ext.R4 series are copies of prescriptions which detail the consultation, clinical findings, medicines

prescribed and investigations recommended. There are no pre X-ray films. Evidence would indicate that X-ray was taken after the boy was admitted in St. Mary's hospital, Thodupuzha. MRI scan and arthroscopy was also done. In fact admission to hospital on the next day was for follow up treatment including investigations ordered. Ext.P11 is a letter given by opposite party detailing the documents returned to complainant after repudiation of claim. 7 sets of documents were returned to complainant which include original MRI scan report, original lab report, original X-ray film and original scanning films. In Ext.R9 repudiation letter, opposite party has stated that complainant has not produced first consultation details and investigation taken prior to admission. Apparently all other clarifications and records were given including inpatient case sheet records. We have already considered in detail, the data furnished and documents produced by complainant. We notice that entire pre-consultation details and results of investigation conducted were given. Time gap between first consultation and admission to hospital was less than 24 hours and hence there is no possibility of there being any investigation conducted before admission. Apart fromall this, Ext.P3 discharge summary details the entire course of treatment given to the boy from St. Mary's hospital, Thodupuzha.

Considering entire evidence on record, we find that all required information and medical records were submitted for pre authorization of cashless treatment initially and subsequently for reimbursement of treatment expenses. Despite this complainant was put to trouble and subjected to harassment by seeking clarifications and medical records which were quite unnecessary. We also notice that opposite party had not sought for medical examination of the child by any of it's panel doctors. Opposite party does not have a case that clarifications and medical records sought were on the basis of any advice or opinion of a medical expert either. Denial of pre authorization for cashless treatment and repudiation of claim for reimbursement, under the circumstances, amounts to grave deficiency in service. Opposite party ought to have scrutinized the clarifications and records given carefully. Point No.1 is answered accordingly.

5. Point No.2 :

In the view of our findings on Point No.1, we find that the complainant is entitled for reimbursement of treatment expenses with 12% interest from 16/08/2022 date of R8. Complainant has prayed for compensation of Rs25,000/- which appears to us as a modest sum, considering the circumstances of this case. He is further entitled for costs of litigation. Quantum is not mentioned, again considering the circumstances we are of the view that a sum of Rs5,000/- can be awarded as costs. Point No.2 is answered accordingly.

6. Point No.3 :

In the result, this complaint is allowed with costs, upon the following terms :

1. Opposite party is directed to pay a sum of Rs.67,726/- (Sixtyseven thousand seven hundred and twentysix rupees only) to complainant with 12% interest from 16.8.2022, until realisation or payment.

2. Opposite party is directed to pay a further sum of Rs.25,000/- (Twentyfive thousand rupees only) as compensation to complainant with 12% interest from 22.11.2022, till realisation or payment.

3. Opposite party shall pay Rs.5000/- (Five thousand rupees only) as litigation costs to complainant.

Amount ordered above shall be paid within a period of 45 days from the date of receipt of a copy of this order. If not, complainant will be entitled to realize the same in accordance with the provisions of this Act. Parties shall take back extra copies, without delay.

Pronounced by this Commission on this the 29th day of November, 2024

Sd/-
SRI. C. SURESHKUMAR, PRESIDENT

Sd/-
SRI. AMPADY K.S., MEMBER

APPENDIX

Depositions :
On the side of the Complainant :
PW1 - Lalu Joseph
On the side of the Opposite Party :
Nil.

Exhibits :

On the side of the Complainant :

Ext.P1 -Policy document.

Ext.P2 - Denial letter of authorization request for cashless treatment dated 1.6.2022.

Ext.P3 - Discharge summary issued from St. Mary's Hospital, Thodupuzha.

Ext.P4 -Copies of inpatient bills totaling to Rs.67,726/- issued from the hospital.

Ext.P5 -Letter sent by opposite party dated 7.7.2022 seeking additional information and documents with regard to the treatment.

Ext.P6- Treatment certificate issued from St. Mary's hospital, Thodupuzha dated 22.7.2022.

Ext.P7-Claim repudiation letter dated 16.8.2022.

Ext.P8 -copy of lawyer notice issued by complainant to opposite party dated 15.10.2022.

Ext.P9 -Postal receipt.

Ext.P10 - Postal AD Card evidencing service of notice upon opposite party.

Ext.P11 -Letter sent by opposite party dated 6.9.2022.

Ext.P12 - Reply notice sent by opposite party to Ext.P7 lawyer notice.

On the side of the Opposite Party :

Ext.R1 - Copy of terms and conditions of the policy along with covering letter sent by opposite party to complainant upon acceptance of proposal.

Ext.R2 - Request / pre-authorisation request for cashless facility sent from St. Mary's hospital, Thodupuzha.

Ext.R3 - Letter dated 28.5.2022 sent by opposite party to the hospital seeking additional information regarding pre-authorisation request for cashless treatment.

Ext.R4 series 3 in numbers - photocopies of prescription dated 11.5.2022, 12.5.2022 and 26.5.2022 given by Dr. Thomas Mathai who had initially treated the insured / injured person.

Ext.R5 - Denial letter of authorization request for cashless treatment dated 1.6.2022.

Ext.R6 - Copy of discharge summary .

Ext.R7 - Letter dated 8.7.2022 seeking additional documents from complainant.

Ext.R8 - Photocopy of a letter sent by complainant to opposite party dated 28.7.2022.

Ext.R9 - Copy of repudiation letter dated 16.8.2022.

Forwarded by Order,

ASSISTANT REGISTRAR