BEFORE THE DISTRICT CONSUMER DISPUTES REDRESSAL COMMISSION KANGRA AT DHARAMSHALA, H.P.

Date of Institution: 12.03.2025
Date of final hearing: 09.07.2026
DateofPronouncement:29.07.2026

Consumer Complaint No.-DC/18/CC/75/2025

IN THE MATTER OF

GurdeepSinghS/oSh.KuldeepSingh,R/oDeepBhawan,Sarswati Nagar, Upper Barol,Dharamshala,TehsilDharamshala,DistrictKangra,H.P.

(Through: Mr. Rakesh Mehra, Advocate)

.....Complainant

Versus

1. StarHealth&AlliedInsuranceCompanyLimited,Registered & Corporate Office: 1, New Tank Street, Valluvar Kottam High Road, Nungambakkam,Chennai-600034.ThroughitsManagingDirector.

2. StarHealth&AlliedInsuranceCompanyLimited,BranchOffice: E-12/8, 4th Floor,ShreeVrindavenTower,SanjayPalace,AgraTown,Uttar Pradesh - 282002.ThroughitsBranchManager.

(Through: Ms. DishaGupta, Advocate)

.....Opposite Party(s)

CORAM:

President: Mr. HemanshuMishra
Members: Ms. Arti Sood& Sh. NarayanThakur

Present:- Mr. RakeshMehra, Ld.counsel for complainant.
Ms.DishaGupta,Ld.counselforoppositeparties.

ALLOWED

PER: Mr. Hemanshu Mishra, President :-

ORD E R

Factsgivingrisetofilingofthiscomplaintarethatuponthe active persuasionofanauthorizedagentoftheOPs,complainant purchaseda'FamilyHealthOptimaInsurancePlan'intheyear2021.The policy wasinitiallyregisteredunderNo.P/231115/01/2022/010702forthe period from11-08-2021to10-08-2022,coveringfourfamilymembers:the complainant,hiswifeSmt.RituSinghandhistwosons,MasterAgam Kahlon andMasterKanishKahlon.Thecoveragewassubsequentlyrenewed continuouslyoverthefollowingyears,withthepremiumincreasing accordingly.Itisaverredthaton10thAugust2023,thecomplainant'sson, Master AgamKahlon,fellseverelyillwitharunninghighfeverandintense throat pain.HewasinitiallyrushedtotheZonalHospital,Dharamshala. Finding nosubstantialimprovementthere,hewasdischargedonrequest on 12-08-2023andimmediatelyadmittedtoCityHospital,Matour,District Kangra, H.P.,ontheexplicitmedicaladviceofthetreatingdoctors.The patient remainedhospitalizedasanindoorpatientfrom12-08-2023to 17.08.2023.Thefinalmedicaldiagnosisrecordedinthedischargesummary was AcuteFebrileillnesswithThrombocytopenia(TCP)andTransaminitis. The complainantincurredatotalexpenditureofRs.58,729/-.Theclaim intimationwassentviaemailon15.08.2023andaformalreimbursement request withallrelevantcashmemosandlabreportsfollowed.However, the OPs arbitrarilyrepudiatedtheclaimvidealetterdated20-09-2023.Left

ALLOWED

with no option, the complainant filed this complaint seeking reimbursement of Rs.58,819/- along with 12% interest, Rs.50,000/- as compensation for mental harassment and Rs.20,000/- as litigation expenses.

2. Upon notice, opposite party(s) appeared through counsel and contested the complaint by filing reply. On merits, while admitting the subsistence and consecutive renewals of the Family Health Optima Insurance policy, the OPs vehemently denied any deficiency in service. The core defense raised by the OPs is that upon internal scrutiny of the medical files and investigation charts by their in-house medical team, it was concluded that the patient's hospitalization was not medically necessary. The OPs contended that the patient’s vital parameters and investigation reports were within normal limits and that the medical condition could have safely been managed at home on an OPD basis. Consequently, the claim was rejected under Code Excl 36 of the policy terms and conditions, which explicitly excludes coverage for hospitalizations deemed medically unnecessary.

3. The complainant has filed rejoinder denying the contents of the reply filed by opposite party(s) and reiterating those of complaint.

4. The parties were called upon to produce their evidence in support of their contentions and accordingly the parties have adduced their respective evidence.

5. We have heard learned counsel for the parties and also gone

ALLOWED

through the case file carefully.

6. Admittedly, the complainant purchased a Family Health Optima Insurance Plan from the opposite party on 11.08.2021. The said policy was effective w.e.f. 11.08.2021 to 10.08.2022. Thereafter, the complainant renewed the said policy on 11.08.2022, 11.08.2023, and 11.08.2024. It is also not disputed that the complainant's son, Master Agam Kahlon, remained hospitalized w.e.f. 12.08.2023 to 17.08.2023 in City Hospital, Kangra, and upon intimation by the complainant, Claim No. CIR/2024/231115/0649164 was registered against Policy No. 11240350375902.

7. The opposite party, based upon the opinion of their medical team, repudiated the claim on the ground that the insured patient could have been treated as an outpatient, and hospitalization of the insured patient was not warranted for the above diagnosis. They referred to Code Excl 36 of the above policy, which states that the company is not liable to make any payment under this policy in respect of any hospitalization that is not medically necessary or does not warrant hospitalization. Consequently, the opposite party repudiated the claim on 20.09.2023.

8. A perusal of the record reveals that vide Annexure A-40, Dr. Venkateshan Madhavan, M.D. Medicine, City Hospital, Kangra, certified that Master Agam was diagnosed with acute febrile illness and thrombocytopenia. On examination, his BP was borderline at 100/60

mmHg. Thus, he was hospitalized from 12.08.2023 to 17.08.2023 and was managed with IV fluids and IV antibiotics for the same.

9. On 20.10.2023, the complainant submitted a written request to the opposite party to review the rejection of the claim, further stating that the patient was admitted from 10.08.2023 to 12.08.2023 in Zonal Hospital, Dharamshala as well. This is further corroborated by the affidavit filed by the complainant (Ext. CW-1), wherein he specifically deposed that his son fell seriously ill with a high fever and severe throat pain, and was admitted to the Zonal Hospital on 10.08.2023. As there was no improvement and his health deteriorated, the son was discharged on request on 12.08.2023, and on the same day, was admitted to City Hospital, Matour, District Kangra, H.P. on the advice of the treating doctors for proper and regular medical management to recover from the illness, remaining admitted until 17.08.2023. The discharge summary of Zonal Hospital, Dharamshala is Annexure A-5, wherein the brief history mentions fever for five days accompanied by throat pain, rhinorrhea, and headache. BP was recorded as 102/60 mmHg, which aligns with the certificate Annexure A-40.

10. We are of the opinion that the patient required hospitalization on 12.08.2023, as he had been continuously admitted since 10.08.2023 at the Zonal Hospital, and because his blood pressure was recorded at 102/60 mmHg (which was borderline), indoor hospital

treatment was necessary. The opposite party has not attached any affidavit from any member of their medical team. Even otherwise, it is not for the insurance company's medical team to decide who should be treated as an indoor patient or who should be treated at home for any illness. It is the treating doctor who must make that decision, and once he has issued a certificate stating that treatment was required in the hospital, the repudiation of the claim is completely wrong, illegal, and amounts to a deficiency in service.

11. The complainant has attached medical bills for the entire expenditure incurred during the treatment; the summary is Annexure A-7, and the bills are Annexures A-8 to A-30 & A-39, totaling Rs. 58,729/-. On the other hand, the opposite party has annexed Annexure R-8 (Bill Assessment Sheet – Member Payment), which reflects an amount of Rs. 33,727/-; however, the said bill assessment sheet is unsigned. No affidavit in support of Annexure R-8 has been filed. Even in his affidavit (Ext. OPSW- 1), Mr. Sumit Kumar Sharma, Sr. Manager, has not uttered a single word regarding Annexure R-8. The complainant has produced superior evidence, having deposed that he incurred a total expenditure of Rs. 58,729/-. Hence, the complaint deserves to be allowed.

12. Accordingly, the complaint is allowed, and the opposite parties are jointly & severally directed to pay an amount of Rs.58,729/- to the complainant, along with interest @ 9% per annum from the date of the

complaint until its realization. Apart from this, the opposite parties are jointly and severally directed to pay compensation to the complainant to the tune of Rs.20,000/-, besides litigation costs quantified at Rs.15,000/-

13. Applications pending, if any, stand disposed of in terms of the aforesaid order.

14. A copy of this order be provided to all the parties free of cost as mandated by the Consumer Protection Act, 1986/2019. The order be uploaded forthwith on the website of the Commission for the perusal of the parties.

15. File be consigned to record room along with a copy of this order.

(Hemanshu Mishra)
President

(Narayan Thakur) (Arti Sood)
Member Member

K.D*

ALLOWED