Group Mediclaim Policy

Ahmedabad Ombudsman Centre
Case No. 11 / 004 / 0168
Shri. R. M. Vakharia
Vs
United India Insurance Company Ltd.

Award Dated 13.12.2004

Complainant is covered under Group Mediclaim's covered under Group Mediclaim Policy issued by the Respondent. Besides this, he is holding an Individual Mediclaim Cover with the New India Assurance Company. Thus, he was covered under both individual and group Medicalim policies at the time when he underwent Bypass Surgery. The Total expenses incurred by the Complainant was Rs. 194650 / As he is having Individual Mediclaim Covere with New India, they admitted the claim and settled it by paying 50% of then total expenses incurred by him. For the balance of 50% claim lodged with the Respondent, but the same was not paid by them. During hearing, when sought clarification in this regard, Respondent submitted that there is no bar for an individual to hold another Mediclaim with another Insurance Company simultaneously. Further, Respondent clarified that in case of claim arose both Companies will share the expenses equally. It is observed that the Complainant disclosed the fact of his Individual mediclaim policy with New India, while taking the GMP from the Respondent. No infirmity observed on the part of the Complainant. The Policy with New India is being continued without any break, the Respondent will also have to consider the inception of cover from the date from which the cover was taken and continued in subsequent years. No cogent reason for the respondent in not paying the balance of 50% of Claim. Respondent to pay Rs. 97,325 / to the Complainant.

Ahmedabad Ombudsman Centre
Case No. 11 / 004 / 0169
Shri. R. M. Vakharia
Vs
United India Insurance Company Ltd.

Award Dated 13.12.2004

Wife of the Complainant was covered under Group Mediclaim Policy. Insured was admitted in Bhatia General Hospital. Mumbai. Complainant lodged claim against expenses for hospitalisation and treatment which was repudiated by the Respondent. It is observed that the complainant and the insured are having Individual mediclaim Policy with the New India Assurance co., since many years and the same is continuing without any break. The subject Group Mediclaim Policy (Floater) was taken in the March 2002 through Max Housing Corporation. Respondent submitted that the Cover is to be taken to have incepted from the past date that started with the, the New India. This was the pleading of the Complainant in the case No. 11 - 004 - 0168 decided by this Forum which was accepted and awarded in favour of the Complainant. Treating the case as such, it is observed that the New India Assurance Company's Policy of the Insured contained exclusion for Left Eye Cataract, DM, Heart, Spine and Pancreas and these exclusions are binding to the Mediclaim Policy took out from the Respondent also. Further observed that the Treating hospital's Discharge Card shows that the insured is having renal impairment, DM And Diabetic Foot. Held that the subject Policy with the Respondent is considered as continuation of the earlier Cover and when the diseases are either excluded or related to excluded diseases with the New India, the Claim is not payable. Repudiation upheld.

Ahmedabad Ombudsman Centre
Case No. 11 / 005 / 0256
Mr. Prakash R. Zala
Vs
Oriental Insurance Company Ltd.

Award Dated 15.2.2005

Complainant's wife was Covered under LIC Group Mediclaim Insurance Policy. She underwent Tubectomy Operation. Respondent repudiated the claim under Clauses 4.8 and 2.2 Respondent pleaded that since Sterility is an Excluded items, the Tubectomy Operation is beyond the scope of the Scheme. Examined the case whether Tubectomy Operation is in conformity with the Surgical Operation as defined in Clauses 2.21 of the Mediclaim Policy. It is observed that the Subject Claim does not attract Exclusion Clause 4.8 as pleaded by the Respondent. However, held that Tubectomy is as Family Planning operation to cease fertility and hence it is, neither correction of deformity or defect nor repair of an injury etc, which cannot be fitted into the definition under Clause 2.2 an hence. Repudiation sustained.

Ahmedabad Ombudsman Centre
Case No. 11 / 005 / 0069
Mrs. Avnika R. Christian
Vs
Oriental Insurance Company Ltd.

Award Dated 22.2.2005

Complainant's minor son was hopitalised due to Respiratory problem. Claim lodged under Group Mediclaim Policy was repudiated on the ground that Claim intimation was sent after 7 days; Complete claim papers were not submitted within 30 days and the Treating Hospital was not complied with the stipulations laid down under Clause 2.1 of the Policy Complainant Submitted that there had been delay on her part in sending claim intimation as wellas submitting complete claim papers. Documents and submissions perused. It is opined that if the claim is in order, such marginal delay should not deprive a Claimant. As regards the non - registration of the Hospital, it is observed that there are four other alternative criteria stipulated for such non - registered Hospital amongst which the hospital is full filled with qualified Doctors and 15 in beds facility, but it has not fulfilled with full - fledged Operation Theatre and qualified Nurses. Therefore, the issue examined is whether such deficiencies of the Hospital warrant repudiation of the Claim. It is observed that the Child was treated for Respiratory distress needing no support of full - fledged Operation Theater and hence, this deficiency should not hit the subject claim. The circumstances prevailed in the city due to violence and riot also taken into consideration while deciding the case. Repudiation set aside.

Bhubaneshwar Ombudsman Centre
Case No. I.O.O. / BBSR / 11 - 459
Shri Hrudananda Nanda
Vs
Oriental Insurance Company Ltd.

Award Dated 22.11.2004

Insured complainant, a retired LIC employee was covered under group mediclaim Policy of Oriental insurance Co. Ltd. Insured complainant was hospitalized & lodged a claim for Rs. 5827 / to wards medical expenses. Insurer settled the claim for an amount of Rs. 1857 / and disallowed the cost of medicines purchased after period of 60 days from the date of discharge from hospital. Mediclain Policy condition 3.2 allowed only expenses within 60

days from the date of discharge from hospital. Hon'ble ombudsman uphold the repudiation of insurer & complain devoid merit is dismissed.

Bhubaneshwar Ombudsman Centre
Case No. I.O.O. / BBSR / 11 - 467
Shri Dev Sekhar Paul
Vs
Oriental Insurance Company Ltd.

Award Dated 31.01.2005

Insured complaint's wife was covered under LIC Staff Group Mediclaim policy. Insured Complainant lodged a claim for there reimbursement of maternity expenses for the ground that as the child birth took place within waiting period of nine months from the date of entry into the Scheme. The Complainant contended that himself and his wife have covered under group mediclaim since 1993 and he has received that maternity claim for his first child. The Policy was renewed with the insurer since 2003. During the hearing both the parties struck to their respective stand. Ombudsman directed the insurer to pay Rs. 16,117.57 to the complainant with 9% interest per annum from the date of Complaint i.e. 08.03.2004 till date of payment.

Bhubaneshwar Ombudsman Centre
Case No. I.O.O. / BBSR / 11 - 005 - 0011
Shri Sarbeswar Bhadra
Vs
Oriental Insurance Company Ltd.

Award Dated 17.03.2005

Insured complainant, a retired LIC employee covered under LIC Group Mediclaim Policy. Insured's complaint was hopitalised in Kalinga Hospital and he lodged a claim for there imbursement of Rs.11,156/- towards his medical expenses. Insured delayed the settlement. As per the direction of Hon'ble Ombudsman Insurer paid Rs. 9828/- to the complainant. Insured complaint not being satisfied with the amount paid by insurer appeal to this forum for balance amount. Hon'ble Ombudsman directed the insured to pay balance Rs. 1168/- more to the complaint.

Chandigarh Ombudsman Centre
Case No. GIC / 66 / NIC / 11 / 05
Shri S. B. Soni
Vs
National Insurance Company Ltd.

Award Dated 11.11.2004

FACTS : Shri S.B. Soni who retired as Manager from NIC and insured under their Group Mediclaim Policy suffered from Sleep Apnea. He was hospitalized in Sir Ganga Ram Hospital, New Delhi. He lodged a claim for Rs. 80,680. The liability was, however, accepted only to the extent of Rs. 17,080 and the balance amount of Rs. 63,600 relating to expenditure incurred on purchase of NASAL CPAP SYSTEM was disallowed. He filed a representation in the regional office Indore, which was referred to HO for advice. The HO advised that the equipment being an external aid, its cost was not reimbursable as per revised mediclaim policy.

FINDINGS : As per the guidelines issued by HO in the year 1999, such equipment and other specified equipment like wheel chair etc are treated as external aids and the claim is barred. The complainant may be justified in contending that the use of NASAL CPAP

SYSTEM is the only treatment for Sleep Apnea, but the insurer in its wisdom has put specific restriction on reimbursement for the same.

DECISION : Held that in view of well defined policy of the insurer of not allowing claims in respect of external aids, the repudiation was in order. The insurer may, however, have a fresh look at the existing policy having regard to the fact that for the treatment of Sleep Apnea NASAL CPAP SYSTEM is the only treatment.

Chennai Ombudsman Centre
Case No. 11.5.1123 / 2004 - 05
Smr. R. Sabitha
Vs
The Oriental Insurance Company Ltd.

Award Dated 27.10.2004

The Complainant, an employee of the Oriental Insurance Company Ltd, and her dependents, including her father - in—law, Shri T. R. Rangaswamy, were insured under group mediclaim scheme covering the employees and their dependants.

Shri Rangaswamy was hospitalized at M.V. Diabetes Specialty Centre, Chennai from 24.9.2002 to 19.10.02 for Right foot cellulitis for which below - knee amputation was done. The insured's claim for reimbursement was repudiated by the insurer on the grounds that the insured had submitted a mediclaim report of the attending doctor which stated that below - knee amputation was done due to peripheral vascular and as per their panel doctor's opinion, the factors involved in the development of peripheral vascular disease were systemic hypertension and diabetes from which Shri Rangaswamy was suffering from and for which he was under treatment for the past 10 years. The insurer held that since Diabetes and Hypertension were pre - existing diseases, the claim was not payable.

It was observed from the documents submitted before the Forum that Shri Rangaswamy was suffered from Diabetes for the past 10 years and was under treatment with oral hypoglycemic agents and insulin. The proximate cause of the amputation of right leg was peripheral vascular disease and the medical opinion established that diabetes and hypertension are risk factors for peripheral vascular disease. Since Shri Rangaswamy was included under the scheme from 1999 only and diabetes and hypertension were pre - existing in him, the insurer could not be faulted for repudiation of the claim. The complainant was dismissed.

Chennai Ombudsman Centre
Case No. 11.5.1257 / 2004 - 05
Shri K. V. Padmanabhan
Vs
The Oriental Insurance Company Ltd.

Award Dated 26.11.2004

The Complainant Shri K. Padmanaabhan and his wife Smt. K. S. Lalitha were covered under Group Mediclaim Scheme for LIC Employees since inception of the Scheme. Smt. K. S. Lalitha was hospitalized in Dr. Rabindran's Health Care Centre Pvt. Ltd. Ambattur, Chennai from 13.12.2002 to 17.12.2002 and was diagnosed to be suffering from Type II DM / Insulin requiring form control / SHT – Stage I / Infected wound left 3rd toe with Cellulitis foot. The Clinical details mentioned that she was a known diabetic for 20 years on OHA and insulin for the past 5 years. The insured represented that the mentioning of history of diabetes as 20 years only. The insured represented that the mentioning of history of diabetes as 20 years was a typing error and Smt. Lalitha was infact, suffering from DM for the past 10 years only. The insured also submitted a certificate from the attending doctor to this effect.

The insured's claim was repudiated by the insured on the ground of pre - existence of diabetes and their panel doctor had opined that Cellulitis may be due to presence of DM for 20 years.

It was noted that circulars of United India Insurance Company Ltd. (previous administrator of the LIC Group Mediclaim scheme) and that of the Oriental Insurance Company Ltd. made it clear that exclusion clause pertaining to pre - existing diseases will not apply to those LIC employee / family members who were covered under the group scheme since introduction of the scheme and this clause will apply only to new employees / family members jointing the scheme subsequently. In the light of this provision, it was held that the insurer was not justified in repudiating the claim since the insured and his wife were covered right from the inception of the scheme. The insured was directed to entertain the claim and pay the admissible medical expenses along with 8% simple interest from 1.10.2003 till the date of payment. The complaint was allowed.

Chennai Ombudsman Centre
Case No. 11.5.1293 / 2004 - 05
Shri G. Ramanujam
Vs
The Oriental Insurance Company Ltd.

Award Dated 29.11.2004

The complainant, Shri Ramnujam, a retired employee of Life Insurance Corporation of India, and his spouse, Smt. Kamala Vasuki were covered under LIC Group Mediclaim Policy with the Oriental Insurance Company Ltd., Divisional Office XI, Mumbai. Smt. Kamala Vasuki was hospitalized from 23.9.2003 to 24.9.2003 and was diagnosed to have Diabetic Neuropathy Cervical Spondylosis. The insured's claim for reimbursement of medical expenses was repudiated by the TPAs of the insurer on the ground that the hopitalisation was primarily for routine medicines which is not covered as per policy condition no. 4.10 of the policy.

It was observed that Smt. Kamala Vasuki was diagnosed to have Diabetic Neuropathy with Cervical Spondylosis. The discharge Summary mentioned "73 years old Kamala Vasuki admitted with complaints of numbness of both limbs and giddiness – known case of DM patient" From the discharge summary, it was apparent that Smt. Kamala Vasuki had the specific complaints of numbness of both limbs and giddiness and had to undergo laboratory tests. She was administered treatment by way of medication. Exclusion clause 4.10 of the policy only excludes charges incurred primarily for diagnostic, X - ray or laboratory examination not consistent with or incidental to the diagnosis and treatment of the positive existence or presence of any ailment for which confinements it required at the hospital / nursing home. However, in the case of Smt. Kamala Vasuki, there was a definite diagnosis and treatment of positive existence of Diabetic Neuropathy and Cervical Spondylosis and she was administered treatment. Hence, there were no grounds fro invoking of exclusion clause 4.10. The insurer was directed to settle the claim with interest 8% p.a. simple interest form 1.12.2003 till the date of payment. The complaint was allowed.

Chennai Ombudsman Centre
Case No. 11.5.1281 / 2004 - 05
Shri C.S. Venkateshwaran
Vs
The Oriental Insurance Company Ltd.

Award Dated 12.01.2005

The complainant, Shri C. S. Venkateshwaran and his wife Smt. Usha were covered under Group mediclaim Scheme fro LIC Employees. Smt. Usha was hopitalised from 8.5.03 to 12.5.03 at G.K.N.M. Hospital, Coimbatore for Cervical 'Spondylosis with dental infection.

Her claim for reimbursement of the medical expenses was repudiated by the TPAs, vide their latter dated 3.6.03, on the ground that the admission was for primarily investigation and dental treatment, which was an Outpatient procedure.

Shri Venkateshwaran represented to the insurer for reconsideration of the claim on the ground that his wife was admitted as per doctor's advice and she was subject to several tests for diagnosis of the disease and since diagnosis is a pre - requisite for any treatment, certain tests and investigations were also necessary. The TPA,s however, continued to uphold their stand of repudiation.

From the records submitted before the Forum, it was observed that no particular treatment was rendered to Smt. Usha, apart from root canal treatment. Hence, there did not appear to be any necessity for hospitalization and the investigations / treatment mentioned in the discharge summary could have been done on outpatient basis. The condition of the patient at the time of admission, as recorded in the discharge summary, also did not indicate any acute condition necessitating hospitalization. Hence it was held that the hospitalisation was not justified and the insurer could not be faulted for repudiating liability. The complaint was dismissed.

Chennai Ombudsman Centre
Case No. 11.5.1312 / 2004 - 05
Shri K. Parthiban
Vs
The Oriental Insurance Company Ltd.

Award Dated 17.01.2005

The complainant, Shri K. Parthiban, an employee of Life Insurance Corporation of India, was covered under LIC group Mediclaim policy. He was hospitalised from 19.2.2004 to 21.2.2004 in Sundaram Medical Foundation for Vascular Headache. His Claim for reimbursement of medical expenses was repudiated by M/s Paramount Health Services, the TPAs of the insurer on the ground that the Admission was primarily for investigation.

It was observed from the documents submitted in the case that Shri Parthiban was not administered any particular treatment while he was hospitalised and only certain investigation were done. Shri Parthiban admitted during the hearing that those investigations could have been done as an outpatient but he got admitted in the hospital since he was asked to get admitted. However, Shri Parthiban did not submit any document substantiating this contention and the only document submitted by him was that of attending doctor and this latter did not indicate any need for hospitalisation but only gave an account of the medical conditions of the Shri Partibhan and the result of all the investigations. Further, it was noted that the condition of Shri Paribhan, at the time of admission, did not seem to have warranted any need for hospitalization. Hence, it was held that the insurer could not be faulted for repudiating the claim and the complainant was not entitled to any relief. The complaint was dismissed.

Chennai Ombudsman Centre
Case No. 11.5.1315 / 2004 - 05
Shri R. Sreenivasan
Vs
The Oriental Insurance Company Ltd.

Award Dated 17.01.2005

The complainant, Shri R. Sreenivas was covered under LIC Group Mediclaim Policy. Shri Sreenivasan was treated in S.B. Hospital, Thanjavur on 2.10.2003 and 25.12.2003 for "stricture Urethra". His claim of reimbursement of medical expenses incurred in respect of both the episodes of treatment was repudiated by TPAs of the insurer, M/s Paramount Health Services Pvt. Ltd., on the ground that the hospitalisation was for less then 24 hours.

The complainant represented that the policy provided for relaxation of minimum 24 hours in respect of certain ailments.

The documents submitted before the forum were perused. It was noted that regarding the treatment rendered in October 2003, there was a receipt for theatre charges and medical bills. Apart from this Receipt, there was no medical record evidencing the hospitalisation and any medical procedure having been rendered to Shri Sreenivasan which warranted the infrastructure of the hospital. Regarding the hospitalization of December 2003, there was a medical record which stated " Stricture Urethra, Minimal BPH / HT, Small renal calculi". Apart from these, was no mention / evidence of any treatment which warranted hopitalisation. Hence, the subsequent hospitalization also did not fall under the relaxation provided under the policy for the stipulation of minimum period of 24 hours hospitalization. It was, therefore, held that the insurer could not be faulted for repudiating the liability and the complaint was dismissed.

Chennai Ombudsman Centre
Case No. 11.5.1284 / 2004 - 05
Shri J. Muralidharan
Vs
The Oriental Insurance Company Ltd.

Award Dated 17.01.2005

The complainant, Shri J. Muralidharan, was insured under the LIC Group Mediclaim policy. He was hopitalised from 2.6.03 to 9.6.03 for Thoracic back pain. His claim for reimbursement of medical expenses was rejected by M/s Paramount Health Services, the TPAs of the insurer on the ground that only investigations were done in the hospital and the same could have been done on an out - patient basis.

It was observed from the discharge summary that the diagnosis was "Musculo Skeletal Pain, Diabetes Mellitus". The narration in the discharge summary stated that various investigations like, lipid profile, blood, urine and stool examination, USG, ECG and CT Scan and bone scan were done. All the investigations revealed a normal study. The only noting that revealed an abnormality was that the insured had possibly Musculo Skeletal pain or Trunkal Neuropathy due to diabetes mellitus. However, there was no specific treatment administered on him and therefore, it emerged that hospitalisation was not necessary. The medical records also did not indicate that the condition of the insured was much so to necessitate hospitalization. The various investigations done on him could have been done as outpatient. Since the mediclaim policy reimburses hospitalization expenses, reasonably and necessarily incurred, for treatment of an illness / disease and in the present case, the necessity of hospitalization was not established, it was held that the insurer could not be faulted for repudiating liability. The complaint was dismissed.

Chennai Ombudsman Centre
Case No. 11.5.1294 / 2004 - 05
Shri A. S. Rajarajan
Vs
The Oriental Insurance Company Ltd.

Award Dated 18.01.2005

Shri A. S. Rajarajan was covered under LIC Group Mediclaim Scheme. Following his marriage on 10.11.2002, he included his spouse, Smt. Kalaiselvi under the scheme. Smt. Kalaiselvi delivered a child on 24.7.2003. The insured's claim for reimbursement of maternity expenses was repudiated by the insurer on the ground that, as per the policy condition, a waiting period of 9 months was necessary for paying claims under the maturity benefit section. Since the insured's appeal for reconsideration of the claim was not heeded to by the insurer, he has approached this Forum for relief.

Pursuant to the hearing held in the case, the insured submitted a certificate from his employers, Life Insurance Corporation of India, which stated that Shri A.S. Rajarajan got married on 10.11.2002 and had given a letter to include his spouse under the scheme and consequently, they had deducted the required premium from the salary of the employer from the month of November, 2002.

There was a medical certificate issued by the attending Gynaecologist that Smt. Kalaiselvi was carrying pregnancy and her LMP was 5.11.2002 and the expected date of delivery was 12.8.2003 but she delivered the child on 24.7.2003.

The LIC Group Mediclaim policy Condition 5.18 (2) of The Oriental Insurance Company Ltd., stipulated that a waiting period of 9 months is applicable for payment of any claims relating in normal delivery or cesarean section and that this waiting period may be relaxed only in case of delivery, miscarriage or abortion induced by accident or other medical emergency. It was noted from the medical certificate issued by the attending doctor that the expected date of delivery was 12.8.2003. It was also noted that the mediclaim premium was deducted from the employee from November, 2002 salary as he got married on 10.11.02 and intimated LIC to include his wife into the scheme. Therefore, it emerged that the insured was covered under the scheme for December, 2002 onwards. Smt. Kalaiselvi delivered a male child on 24.7.2003 and the certificate issued by the attending doctor stated that the delivery was “Via Naturalis’ Therefore, the delivery, though before the expected date, was not induced due to a medical emergency and hence, did not justify for the application of the relaxation of 9 months waiting period. Under the circumstances, it was held that the claim did not meet with the stipulations of the policy and hence was not payable. The complaint was dismissed.

Chennai Ombudsman Centre
Case No. 11.5.1288 / 2004 - 05
Shri S. Rajagopalan
Vs
The Oriental Insurance Company Ltd.

Award Dated 18.01.2005

The complainant, Shri S. Rajagoplan, a retired employee of LIC of India, was covered under LIC Group Mediclaim Policy. He was admitted in Shankara Nethrayalay on 9.2.2004 for hyperopia of both eyes. His claim for reimbursement of medical expenses was repudiated by Paramount Health Services, vide letter dated 5.4.2004, on the ground that the hopitalisation was for less than 24 hours.

As per the discharge summary – GA Examintion / Observation of Sankara Nehtralaya (MRD No. 335358), the diagnosis was “Hyperopia – both eyes, presbyopa, Posterior Sub capsular Cataract – Nucleous Sclerosis – both eyes, Systemic Hypertension, Hyperthyroidism, Poag – Both eyes, Glaucomatous Cupping – Both Eye” The noting under Hospital Course was “Observation & Medical Management” The only treatement administered, as recorded in the discharge summary, was eye medication. The insured staked his claim for reimbursement of medical expenses on the ground that technological advancement has rendered various types of medical treatment like, piles surgery, cataract surgery etc. necessitating hospitalization for a period of less than 24 hours, and the present treatment for Hyperopia also fell under the same category.

The mediclaim scheme Stipulates a minimum of 24 hours hosptalisation for rendering medical treatment reimbursable under the scheme. However, it also provides for relaxation with regard to hospitalisations for a minimum period of 24 hours for certain specified ailments due to technological advances made in medical sciences. This relaxation implies that a treatment , to be considered under this provision, should have some technological intervention. In the case on hand, it was noted that Shri Rajagopalan has only been administered medication, and thereby, he had not received the benefit of any application of

advanced technology in the process of treatment. It was, therefore, held that the benefit of the said relaxation pertaining applicable to hospitalisation for a minimum period of 24 hours was not application in the present case and therefore, the claim not meeting with the stipulation of the mediclaim policy, was not eligible for reimbursement. The complaint was dismissed.

Delhi Ombudsman Centre
Case No. GI / 319 / UII / 04
Shri. Darshan Kumar
Vs.
United India Insurance Company Limited

Award Dated 15.12.2004

The complainant was hospitalized for treatment of 'Disk Prolapse'. The claim was repudiated by the Insurance Company on the ground that the patient had a history of 'low back ache' for the last 20 to 25 years and, therefore, the ailment was pre - existing. The Insurance Company based their decision on a loose remark in the discharge summery, which said that the patient was admitted with complaint of low back ache since 20 yeaRs.

Hon'ble Ombudsman held that this is a preposterous remark. A person will not wait for 20 years to get admitted to a hospital for treating a low back ache. The Insurance Company is playing up this trifle with a view to evading liability. The patient (insured person) is driver and a low back ache must be part and parcel of his existence. There is absolutely no evidence Prolapse for the last 20 yeaRs. There is no correlation between Disc Prolapse and so called law back ache.

The company was asked to pay the claim for treatment of Disc Prolapse.

Guwahati Ombudsman Centre
Case No. 11 / 002 / 0030
Shri Jiban Ch. Deka
Vs
New India Assurance Co. Ltd.

Award Dated 15.03.2005

Facts :

1) Insured person's son was treated at Appolo Hospital, Chennai on 08.05.2004 incurring expenses of Rs. 36,306.70. He claimed re - imbursement of the expenses form the opposite Party, New India Assurance Company Ltd., through his employe LICI (Divisional Office, Guwahat). The claim was not entertained and hence this complaint.
2) The insurer would contend referring to condition 3.6 of the relevant policy that since the age of the patient (son of insured) is aged 29 years the insurer has no liability and cannot be bound on the ground that LICI deducted the premium, rightly or wrongly. Condition 3.6 provide cover for sons up to 21 yrs.of age.
3) There is no dispute that the age of the son been recorded as 29 years at the time of Laparoscopic Cholecystectomy operation effected on 08.05.2004. It will be pertinent to note here that nothing is available in the record to show that there was any modification in the policy conditions and premiums were deducted by the LICI from the salary of the claimant (its employee) with any understanding of the extension / modification of policy conditions.
4) Therefore, I find on scope for interference from this authority.

5) Matter stands closed for time being keeping it open for complainant to approach again, if so advised, under change of circumstances.

Kochi Ombudsman Centre
Case No. IO / KCH / GI / 11 / OIC / 74 / 2003 - 04
Shri Shammi Jose K. Parackal
Vs
The Oriental Insurance Co. Ltd.

Award Dated 12.10.2004

The complaint under Rule No. 12 (1) (b) read with Rule 13 of the RPG Rules, 1998, arose from partial repudiation of Group Mediclaim benefits to the complainant, who is an employee of M/s Appollo Tyres. The complainant sustained an accidental injury to his toes on 28.05.2002 and the attending doctor had advised him treatment for the disablement from 28.05.2002 to 30.06.2002. The doctor had also certified as to temporary partial disability to the complainant up to 28.08.2002. While the total claim was for 93 days up to 28.08.2002, the insurer had settled the claim only for the period up to 30.06.2002 on the plea that the rest of the period up to 28.08.2002 was only meant for rest and the dislocation was temporary partial disability and, therefore, no benefit would accrue for the said period. The complainant was a manual labourer in the factory and his duties required him to be on the move for 8 hours a day carrying various materials to different spots of tyre manufacturing. Therefore, in his case, the temporary partial disability was in fact total disability only. The case of a manual worker who has to move about for 8 hours is different from that of a person who is doing a desk work. In this case, therefore, the complainant was unable to do his work in the factory for a total period of 93 days and, therefore, the logic of temporary partial as interpreted by insurer was wrong. On evaluation of the circumstances of the case, the Insurance Ombudsman allowed the complaint in favour of the complainant and the insurer was asked to settle the benefits for the entire period up to 28.08.2002.

Kochi Ombudsman Centre
Case No. IO / KCH / GI / 11 / OIC / 103 / 2003 - 04
Smt. Betty Jose K.
Vs
The Oriental Insurance Co. Ltd.

Award Dated 12.10.2004

Smt. Betty Jose had filed this complaint against the respondent on their repudiation of her claim under Group Mediclaim Policy. According to the Complainant her daughter was under treatment of Shri G. Sreedhara Kurup, who is a Physician for Traditional system of Ayurvedic Kalari Chikilsta. Her claim for reimbursement of medical expenses was rejected by the respondent for the reason that the physician was not a registered medical practitioner as defined under clause 3.3 of the policy. Aggrieved by the decision of the respondent she had approached this authority for redressal of her grievances.

The Insurer contended that the Physician with whom the treatment was taken was not a registered medical practitioner as defined under clause 3.3 of the policy. As such the company is not liable to honour the claim. The decision of the respondent to repudiate the claim invoking clause No. 3.3 is in order.

Taking into consideration all the records available in the file and also the contentions of the parties concerned, the Ombudsman ruled that as per policy conditions, reimbursement of medical expenses would be considered only if the treatment is under a registered medical practitioner having requisite qualifications. As such the decision of the respondent in rejecting the claim – invoking clause 3.3 is in order and this authority does not find any justifiable grounds to interfere.

Being devoid of merits the complaint is **dismissed.**

Kochi Ombudsman Centre
Case No. IO / KCH / GI / 11 / OIC / 11 / 2004 - 05
Smt. K. P. Bindu
Vs
Oriental Insurance Co. Ltd.

Award Dated 01.11.2004

The Complaint under Rule 12(1) (b) read with 13 of the RPG Rules 1998 arose from repudiation of Mediclaim under LIC Employee's Group Medical Scheme issued by the Insurer. Shri K. R. Rajeev, spouse of the Complainant was under treatment at National Hospital, Kozhikode for his knee surgery during the period 19.3.2003 to 25.03.2003. The respondent, for the pre - existing nature of the disease rejected her claim for reimbursement of medical expenses. Her appeal to the Grievance cell of the insurer was also turned down upholding the decision of the respondent. Aggrieved by the decision of the respondent she had approached this authority to reopen the case and award the amount in full along with interest.

The Insurer contested that the patient was suffering from the disease for the past 15 years and the present surgery was for correction of the knee injury sustained during his school days while he was playing football. As such the illness was a pre - exisitng one and the complainant had not disclosed this matter while including his name in the policy. The claim is untenable and the complainant is not eligible for any benefit. The repudiation of the claim is in order and does not warrant any modification.

Taking into consideration all the records available in the file and also the contentions of the parties concemed, the Ombudsman ruled that the Insurer could not prove their version of the patient having suffered from the disease before the inception of the insurance cover. If the patient having any ailment, he would have taken treatment from elsewhere. In the absence of any concrete evidence to prove otherwise, the decision of the respondent to repudiate the claim is bad in law. The complainant is eligible for reimbursement of the medical expense of Rs. 38000/- and setting aside the decision of the respondent to reject the claim the Insurer is directed to pay the amount.

In the above premises the complaint is disposed of as above.

Kochi Ombudsman Centre
Case No. IO / KCH / GI / 11 - 003 - 107 / 2004 - 05
Shri. M. R. Rishi
Vs
National Insurance Co. Ltd.

Award Dated 08.02.2005

The complaint under Rule No. (12)(b) read with Rule 13 of the RPG Rules, 1998 is as a result of repudiation a claim under Group Medical Insurance. The Complainant's father Shri Ramchandran who was covered in the scheme had to undergo a cataract operation and the Insurance Company had rejected the claim for the reason that Cataract was a disease that developed gradually and therefore the problem was pre - exisiting. However, the doctor who attended on the patient had opined that the problem was developed only during the past one year. Although the patient was 64 years old, there was no evidence to show that the problem was pre - existing so as to enable the Insurer to repudiate the claim. Since the medical opinion was against the interpretation of the insurer, this Forum had allowed the complaint in favour of the complainant and the Insurer was asked to reimburse the expenses amounting to Rs. 6986 / and thus the complainant was disposed of.

Kochi Ombudsman Centre
Case No. IO / KCH / GI / 11 - 005 - 108 / 2004 - 05

Shri V. Prabhakaran Pillai
Vs
The Oriental Insurance Co. Ltd.

Award Dated 15.02.2005

Shri V. Prabhakaran Pillai has filed this complaint against the respondent on their repudiation of his claim under the mediclaim policy issued in favour of LIC employees. The complainant had undergone hospitalization form 22.8.2003 to 26.08.2003 and his claim for reimbursement of hospitalization charges was rejected by the Insurer on the ground that the hospitalization was for evaluation and no treatment was administered upon the complainant. His appeal to the grievance cell was of no use. Aggrieved with this he had approached this Authority and prayed for an award of Rs. 5612/-.

The Insurer contented that the complainant had been in the hospital only for investigation and no medical treatment was given to him. As such the rejection of the claim by the TPA in the order.

Taking into consideration all the records available in the file and also the contentions of the parties concerned, the Ombudsman ruled that the decision of the TPA and the respondent were judiciously made and this Authority does not find any justifiable grounds to intervene.

Being devoid of merits, this complaint is **dismissed.**

Kochi Ombudsman Centre
Case No. IO / KCH / GI / 11 - 005 - 109 / 2004 - 05
Shri A. A. George
Vs
The Oriental Insurance Co. Ltd.

Award Dated 15.02.2005

Shri A. A George has filed this complaint against the respondent on their repudiation of his claim under the mediclaim policy issued in favour of LIC employees. The complainant was hospitalization on 09.09.2003 and discharged on 10.09.2003 and his claim for reimbursement of hospitalization charges was rejected by the Insurer on the ground that the hospitalization was for evaluation and no treatment was administered upon the complainant. His appeal to the grievance cell was of no use. Aggrieved with this he had approached this Authority and prayed for an award of Rs. 903/-.

The Insurer contented that the complainant had been in the hospital only for investigation and no medical treatment was given to him. As such the rejection of the claim by the TPA is in the order.

Taking into consideration all the records available in the file and also the contentions of the parties concerned, the Ombudsman ruled that the decision of the TPA and the respondent were judiciously made and this Authority does not find any justifiable grounds to intervene.

Being devoid of merits, this complaint is **dismissed.**

Kochi Ombudsman Centre
Case No. IO / KCH / GI / 11 - 005 - 112 / 2004 - 05
Shri K. B. Rajeevan
Vs
The Oriental Insurance Co. Ltd.

Award Dated 16.02.2005

Shri K. B. Rajeevan has filed this complaint against the respondent of their repudiation of his claim under the Group Mediclaim policy issued in favour of LIC employees. Smt Anitha Rajeev, wife of the complainant was hospitalized on 04.08.2003 and discharged on

05.08.2003 and his claim for reimbursement of hospitalization charges was rejected by the Insurer on the ground that the hospitalization for routine medicines was not covered under this poilicy. His appeal to the grievance cell was of no use. Aggrieved with this he had approached this Authority and prayed for an award of Rs. 10,000/-.

The Insurer contented that the complainant had been in the hospital only for routine medicines and no rest or supervision was needed. As such the benefit covered under Clause 2.4 are not allowable under this policy. Admission merely for investigation purposes will not amount to hospitalization in the strict sence. As such the rejection of the claim by the TPA in the order.

Taking into consideration all the records available in the file and also the contentions of the parties concerned, the Ombudsman ruled that the decision of the TPA and the respondent were judiciously made and this Authority does not find any justifiable grounds to intervene.

Being devoid of merits and upholding the deicision of the respondent, this complaint is **dismissed.**

Kochi Ombudsman Centre
Case No. IO / KCH / GI / 11 - 005 - 110 / 2004 - 05
Shri R. Ananthasubramonian
Vs
The Oriental Insurance Co. Ltd.

Award Dated 16.02.2005

Shri R. Ananthasubramonian has filed this complaint against the respondent on their repudiation of his claim under the Group Mediclaim policy issued in favour of LIC employees. The complainant was hospitalized on 03.05.2003 and discharged on 04.05.2003 and the Insurer rejected his claim for reimbursement of hospitalization charges on the ground that the hospitalization for routine medicines was not covered under this policy. His appeal to the grievance cell was of no use. Aggrieved with this he had approached this Authority and prayed for an award of Rs. 6,900/-.

The Insurer contented that the complainant had been in the hospital only for routine medicines and no rest or supervision was needed. As such the benefit covered under Clause 2.4 are not allowable under this policy. The benefits under clauses 3.1 and 3.2 are also not applicable under this case. Admission merely for investigation purposes will not amount to hospitalization in the strict sense. As such the rejection of the claim by the TPA in the order.

Taking into consideration all the records available in the file and also the contentions of the parties concerned, the Ombudsman ruled that the decision of the TPA and the respondent were judiciously made and this Authority does not find any justifiable grounds to intervene.

Being devoid of merits and upholding the decision of the respondent, this complaint is dismissed.

Kochi Ombudsman Centre
Case No. IO / KCH / GI / 11 - 005 - 111 / 2004 - 05
Shri A. K. Menon
Vs
The Oriental Insurance Co. Ltd.

Award Dated 16.02.2005

ShriA K. Menon has filed this complaint against the respondent of their repudiation of his claim under the Group mediclaim policy issued in favour of LIC employees. The complaint was hospitalized on 22.09.2003 and discharged on 23.09.2003 and his claim for reimbursement of hospitalization charges was rejection by the insurer on the ground that the hospitalization for routines was not covered under this policy. His appeal to the

grievance cell was of no use. Aggrieved with this he had approached this Authority and prayed for an award of Rs. 5,746/-.

The Insurer contented that the complainant had been in the hospital only for investigation and no medical treatment was given to him. As such the rejection of the claim by the TPA in the order.

Taking into consideration all the records available in the file and also the contentions of the parties concerned, the Ombudsman ruled that the decision of the TPA and the respondent were judiciously made and this Authority does not find any justifiable grounds to intervene.

Being devoid of merits and upholding the decision of the respondent, this complaint is **dismissed.**

Kochi Ombudsman Centre
Case No. IO / KCH / GI / 11 - 002 - 127 / 2004 - 05
Ms. Ambikadevi
Vs
The New India Assurance Co. Ltd.

Award Dated 16.03.2005

The complaint under Rule 12(1)(b) read with Rule 13 of the RPG Rules, 1998 relates to partial repudiation of a claim by the insurer under the Group mediclaim insurance policy issued for the benefit of LIC employees. The complainant – an employees of LIC – was undergoing allopathic treatment for Parkinson's disease and later on as the treatment was recurrently disturbing her health, she had resorted to Ayurvedic treatment at Hari Sree Hospital, Ollur (Trichur). The insurer had paid a sum of Rs. 12000 / to the complainant while the total claim was for Rs. 23,484.00. At the Ayurvedic hospital, the complainant had undergone Panchakarma treatment for Kampavadam and related complaints and the insurer insisted that all the Panchkanrma procedures could not be completed within a span of 25 days and they had sought some independent medical opinion in order to substantiate their argument. The complainant said that as an employee and LIC of as the mother of two young children of home she could not unduly prolong the treatment and it was as per the advice of the ayurvedic Doctor that she had completed the course within a span of 25 days. While the insurer termed the course of treatment as impractical and unscientific, if remains a facts that the whole procedure was done under competent medical supervision and as far as the reasonableness and necessity of the treatment are concerned, the attending Doctor was in a better position to say something on that and as far as the patient is concerned, that therapy advised by the Doctor was reasonable and necessary. In the circumstances, the claim was allowed in full in favour of the complainant and the partial repudiation was set aside.

Kochi Ombudsman Centre
Case No. IO / KCH / GI / 11 - 003 - 131 / 2004 - 05
Smt. K. Valsala
Vs
National Insurance Co. Ltd.

Award Dated 22.03.2005

The complaint under Rule 12(1)(b) read with Rule 13 of the RPG Rules, 1998 relates to repudiation of a claim of the complainant under a Group mediclaim – Floater policy effected through a non - government organization called M/s Healing Touch Heal thcare Club. Trichur and the respondent insurer. The complainant had two spells of hospitalization – in May 2003 for Appendicitis and Cervicitis and another in June 2003 for acute respiratory problem etc. the insurer had rejected both the claims citing them as pre - existing diseases. However, on verification of the records it was revealed that the appendicitis and cervical problem had no previous history while for the second spell of treatment the complainant herself disclosed that she had continuous / intermittent treatment for respiratory problem

even earlier. In the circumstances, the first claim raised for the hopitalization in May 2003 was found to be sustainable grounds and therefore the claim for Rs. 6069.14 was awarded and repudiation of the second claim was upheld by this Forum.

Kochi Ombudsman Centre
Case No. IO / KCH / GI / 11-003-137 / 2004-05
Shri.Suresh Babu
Vs.
National Insurance Co. Ltd.

Award Dated 31.03.2005

The complaint under Rule 12(1)(b) read with Rule 13 of the RPG
Rules, 1998 arises out of repudiation of a mediclaim by the insurer. The complainant, his wife and son were covered under a group medi claim floated by the insurer. The complainant was hospitalized twice during the insurance coverage which commenced from 20.1.2003. The first hospitalisation was from 2.6.2003 to 3.6.2003 for “Infected Sebacious Cyst” and the second hospitalisation was from 22.6.03 to 25.6.03 for “Acute Gastro enteritis and Acute respiratory tract infection”. In the discharge card related to the first claim, the doctor had mentioned that the cyst was 21 days old. As per the insurer, sebaceous cyst took a long time to develop to the stage of infection and therefore concluded that the cyst must have been there even before inception of the policy and hence the claim was rejected. As for the second claim, the insurer had bracketed “Acute respriratory tract infection with Asthma” and excluded it under cl.4.1 of the medi claim policy. In both the cases, the insurer was found to have erred. In the first case, there was no reason to believe that the cyst had developed even before the commencement of the policy and in the second case acute respiratory infection was not the same as Asthama under these circumstances, the repudiation of both the claims was set aside the the insurer was directed to honour the claims subject to proper verfication of bills. The total amount involved was only Rs. 3128/- combining both the claims.

Mumbai Ombudsman Centre
Case No. GI - 301 of 2003 - 2004
Smt. I. H. Darwajkar
Vs
The New India Assurance Co. Ltd.

Award Dated 03.11.2004

Shri I. H. Darwajkar was covered under a Group Mediclaim Policy issued to Dena Bank Card holders for the period 01.09.2002 to 31.08.2003. He preferred a claim against the Insurance Company for Rs.18,000 / in connection with Cataract operation of his right eye done on 13.3.2003. The Company repudiated his claim stating that there was a gap of two months in renewing the cover in respect of Shri Darwajkar and the company treated it as a fresh policy w.e.f. 01.11.2002 and the claim for Cataract was not payable, during the first year of the Policy as per 4.3 of the Policy Condition.

The Forum has duly considered all submissions, contention and evidences on record. It is found that proposal / application for renewal of the “Policy” was signed on 30.9.2002 by the insured and the same reached the office of the Insurance company on 3.10.2002. The insured as per this form authorized the Bank to Debit the insurance premium to the Insurance Company.

The previous insurance expired on 31.08.2002. The Insurance company stated that they have received that premium only on 31.10.2002 from Dena bank and accordingly had given effect to the Policy w.e.f. 01.11.2003. The Insurance Company therefore, contends that since due to break in insurance, this policy has been treated as a fresh policy, they have no liability under the policy due to 1st year exclusion of Cataract from its purview. The insured maintains that he was not at fault in as much as the Insurance Company had a

responsibility of renewing that existing Policies. While this is the market practice being following generally by Insurance Companies, it cannot be insisted upon and then held against the Insurance Company. The responsibility also lies with Dena Bank and the insured person to ensure renewals, on payment of premium on or before the date of expiry. The renewal forms, for whatever reason, were forwarded to the Insurance Co. on 03.10.2003 in these cases and the Bank forwarded the premium only on 31.10.2002. It is therefore a combination of late submission of renewal forms and thereafter the renewal premium by the Bank that the Insurance Company had to issue the policy w.e.f. 01.11.2002 in accordance with the statutory previsions of Section 64 VB, Insurance Act, 1938, treating it as a fresh policy from 01.11.2002. This is as per Company's underwriting guidelines as well. Accordingly, the claim fall within the exclusion clause 4.3 applicable to some specified diseases which includes Cataract, in the first year of operation of the Policy and the decision of the Insurance Company to reject the claim cannot be faulted. Under the circumstances the claim of Shri. I.H. Darwajkar for reimbursement of expenses on account of treatment of eye and removal of Cataract in the right eye cannot be sustained.

Mumbai Ombudsman Centre
Case No. GI - 247 of 2003 - 2004
Shri Daulat Zipru Pawar
Vs
The Oriental Insurance Co. Ltd.

Award Dated 08.11.2004

Shri Daulat Z. Pawar employee of Life Insurance Corporation of India who was insured under LIC employees' Group Mediclaim Policy No. 111300 / 48 / 2003 / 00011 issued by the Oriental Insurance Company Limited, Mumbai Divisional office – XI, approached the Office of the Insurance Ombudsman vide his complaint dated 24.06.2003 seeking intervention of the Insurance Ombudsman for settlement of his balance claim of Rs. 35, 887. Shri D.Z. Pawar had undergone surgery for implanting Cardiac Pace Maker on 21.4.2003 and when he preferred a claim of Rs. 1,55,887 to the Oriental Insurance Company, the company settled his claim for Rs. 1,20,000/-. Aggrieved by the decision, he approached the Office of the Insurance Ombudsman and filled in P - II and P - III forms wherein he sought relief for Rs. 35,887 + compensation of Rs. 2500/- and interest on Rs. 1,20,000/- for delayed payment.

Parties to the dispute were called and records have been perused. It is observed that no communication was sent by the Company to Shri Pawar explaining the position as to why the higher amount could not be settled. Under the Group Mediclaim Policy Cumulative Bonus applicable for individual medicalim policies is not applicable Hence the balance amount of claim has not been paid. It is also seen that the Oriental's TPA prepared the cheque for Rs. 1,20,000 on 14.5.2003 which is very reasonable, which was sent to TPA, Pune and via LIC, Nashik, peharps reached the Insured rather late and for this he had claimed interest which is not acceptable. As regards compensation for mental agony it is be noted that only direct consequence of the claim can be settled as per the terms of the policy and also awarded was per the RPG Rules, 1998.

Mumbai Ombudsman Centre
Case No. GI - 196 of 2003 - 2004
Shri Cyrus Eruch Kasad
Vs
The New India Assurance Co. Ltd.

Award Dated 09.11.2004

Shri Cyrus Eruch Kasad resident of 17, Khareghat Colony, 2nd floor, Flat No. 5. Hughes Road, Mumbai was covered under group mediclaim policy No. 112900 / 48 / 0101208 issued by the The New India Assurance Company limited to the employees of M/s Cap Gemini Ernest and Young consulting India (P) Ltd. When Shri Kasad filed the claim for Rs.

1,28,100/- for the hopitalization to the New India, the company settled the claim for Rs. 18,100/-. Not satisfied with the decision of the company Shri Kasad represented to the company stating that the balance amount of Rs. 1,10,000/- was towards a life saving equipment recommended by the doctor and hence the same should be paid to him. th June, However, the acompany vide their latter dated 7th June, 2003 reiterated their earlier stand. Aggrieved by the decision of the Company, Shri Kasad approached the Office of the Insurance Ombudsman seeking intervention of the Ombudsman in the matter of settlement of this claim. Parties to the dispute were heard and the records have been perused.

The main dispute under this claim is the payment of an apparatus which is required to ward off the problems in emergency. The basic treatment was received in the hospital and which was paid by the company under the terms of the policy. As in terms of the above decision the claim would fall outside the scope of the policy and therefore, the Company's decision to reject the claim to that extent is sustained.

In the facts and circumstances the rejection of claim for cost of CPAP machine in connection with the hopitalisation of Shri. Cyrus Eruch Kasad at P.D. Hinduja Hopital for the period 18.11.2002 to 20.11.2002 by The New India Assurance Company Limited is held sustainable.

Mumbai Ombudsman Centre
Case No. GI - 221 of 2003 - 2004
Smt. Usha Devi
Vs
The New India Assurance Co. Ltd.

Award Dated 11.11.2004

The New India Assurance Company Limited issued a Group Mediclaim Policy to Central Office of Life Insurance Corporation of India at Mumbai covering their club member agents spread all over India from 1st September, 2000. The Policy was renewed in 2001, 2002 and 2003. These policies are on the pattern of standard mediclaim policy which exclude pre - existing ailments. Shri U.S. Pandey as a member of Chairman's Club was covered under this policy from 1.9.2002 onwards for a sum insured of Rs. 1 lac. Shri U.S. Pandey was hospitalized at Indraprastha Apollo Hospital on various dates between 13.11.2002 and 21.12.2002 for Chronic Renal Failure (CRF) and when the claim papers were received from Shri Pandey on 6th January, 2003 during the 3rd year of the policy under No. 48 / 02 / 00725 for hospitalisation for Rs. 1,29,203, the New India Assurance Company Limited repudiated the claim on the ground of pre - existing illness based on the case papers and further investigations. Being aggrieved by the decision the Complainant, Smt. Usha Devi took up the matter with the company first and not being satisfied approached the Office of the Insurance Ombudsman.

Records of the case have been perused and parties to the dispute were called. Analysis of the hospital case papers together with investigation reports submitted by The New India Assurance Company Limited reveal that the Insured Shri Pandey had been suffering for quite some time from various illnesses.

In the facts and circumstances and based on the documents and investigation reports together with certificate issued by Dr. Sanjay Gupta and other specialist of the various hospitals the decision of the New India Assurance Company Limited to repudiate the claim cannot be questioned.

Mumbai Ombudsman Centre
Case No. GI - 717 of 2003 - 2004
Shri Rajendra D. Mohite
Vs.
The Oriental Insurance Co. Ltd.

Award Dated 17.11.2004

Shri Rajendra D. Mohite was covered under a Group Mediclaim Policy issued to LIC bearing No. 111300 / 000 / 0000048 / 42 / 61 / 2004 for the period 1.4.2003 to 31.3.2004. He claimed for maternity benefits under the policy. This was repudiated by the TPA, M/s Paramount Health Care Services Ltd on the ground that under the appropriate clause of he policy viz 5.18, only claims for two living children can be covered under the policy and since Smt. Mohite had the first delivery of twins who are two living children, the third child would not be covered under the policy. Being aggrieved at the decision the Insured and Complainant Shri Mohite had therefore approached the Ombudsman with a plea that his rightful claim should be passed. His main contention is that his wife had the first delivery on 22.5.97 through Caesarian Section and she gave birth to twin female children. She was reimbursed with the amount of Rs. 10,700 under the group policy. The second delivery of his wife was on 16.5.2003 and she delivered a male child. The claim has been denied as he had two living children which is wrong as there are only two deliveries and no one had any control on the twin babies delivery. The emphasis is on delivery and the 1st one was through caesarian operation and the second delivery which was also through Caesarian operation should be covered. The expression is clear the terms “deliveries of first two children and / or operation”.

In this case, both deliveries were through Caesarian sections for which the second operation also stands admissible and the complaint of Shri Rajendra Mohite is sustainable.

Mumbai Ombudsman Centre
Case No. Gi - 405 / 2003 - 04
Shri. Dhanraj M. Shahdadpuri
Vs.
The Oriental Insurance Company Limited

Award Dated 13.1.2005

Shri. Dhanraj M. Shahdadpuri, a retired employee of LIC was covered under Group Mediclaim Policy issued by The Oriental Insurance Company Limited, D.O. XI from 1.7.2001 for Sum Insured of Rs. 50,000/-. Shri. Shahdadpuri found some difficultly in walking as was hospitalized at Jaslok from 25.7.2002 to 5.8.2002 for Normal Pressure Hydrocephalus where an operation was carried out on 20.7.2002 under the care of Dr. Gajendra Singh. When Shri. Shahdadpuri preferred the claim for the said hospitalizations the Company based on the medical opinion repudiated the claim. Not satisfied with the decision of the Company, Shri. Shahdadpuri represented to the Company for reconsideration of his claim. Aggrieved for not receiving any response inspite of reminders he approached the Office of the Insurance Ombudsman seeking intervention of the Ombudsman to settle his claims. The records have been perused and the parties to the dispute were called for hearing.

From the facts of the complaint lodged by Shri. Shahdadpuri together with records produced before this Forum appears that Shri. Shahdadpuri suffered from Normal Pressure Hydrocephalus with HTN with IHD with Urinary Tract Infection with Benign Enlargement of Prostrate. All these ailments except the ailment of hydrocephalus got excluded as pre - existing diseases automatically. A critical analysis of this condition and ailment would indicate strong correlation with Insured’s HTN, Myocardial Infarction and Ischaemic Heart Disease as influencing this disease over a period of time, to interfere with normal circulation.

Accordingly, the contention of The Oriental Insurance Company Limited that the claim is not tenable being a pre - existing condition cannot be questioned.

Mumbai Ombudsman Centre

Case No. GI - 224 / 2003 - 04
Shri. S. Krishnaswamy
Vs.
The Oriental Insurance Company Limited

Award Dated 19.1.2005

Shri. S. Krishnaswamy is a retired L.I.C. employee and was covered under Group Mediclaim Policy No.111300 / 48 / 21 / 2003 / 00011 / from 01.04.2002 to 31.3.2003 issued to LIC by the Oriental Insurance Company Ltd. He had been covered by the Group Mediclaim since 1988 for a sum insured of Rs. 1,10,000/- and subsequently he has increased the sum of Rs. 3,00,000/-. The Complainant was hospitalised for Exploratory Laparotomy operation and treatment of Leiomyosarcoma in Jehangir Hospital & Medical Centre, and he made a claim for Rs. 3,00,000/-. Insurance Company settled the claim for Rs. 1,10,000/- being the sum insured prior to its increase on 01.10.2002. Not satisfied the decision regarding the settlement Shri. Krishnaswamy approached this Forum for redressal of his grievances of non - settlement of claim in full.

A joint hearing was conducted in the office of this Forum on 19.9.2003 when both the Complainant and the representative of the Insurance Company were heard. Shri. Krishnaswamy pointed out regarding the Option to Increase the Sum Insured for the employees / retired employees of Life Insurance Corpn. of India, LIC had taken up the matter with Oriental Insurance Company and they had agreed for optional increase in coverage under the Scheme as under - -

a) Those who are covered under Sum Insured of Rs. 50,000/- may opt for Sum Insured of Rs. 1,00,000/-

b) Those who are covered under Sum Insured of Rs. 70,000/- may opt for Sum Insured of Rs. 2,00,000/-.

c) Those who are covered under Sum Insured of Rs. 1,10,000/- may opt for Sum Insured of Rs. 3,00,000/-

The interested employees / retired employees who opt for the increased coverage as above were subjected to the following conditions -

1. All pre - existing disease shall not be covered for the increased part of the Sum Insured.
2. The entire premium for the increased part of the Sum Insured shall be borne in full by the concerned employee / retired employee.

This was confirmed by LIC in their Circular Ref. ZD / 1003 / ASP / 2002 dated 04.9.2002 to all their offices specifically for “Optional Increase in Sum - Insured” for the period 01.4.2002 to 31.3.2003. On the above ground Oriental Insurance Company states that they are not liable to settle the claim for pre - existing disese for increased sum insured in respect of employees covered right from inception. An analysis of the case reveals that while Shri. Krishnaswamy was referring to a circular issued by LIC Ref.ZD / 1016 / ASP / 2003 dated 27.3.2003 Renewal of Group Mediclaim Policy for the year 2003.2004, the Policy under which the claim was lodged and considered by Oriental Insurance Company was applicable for the period 01.4.2002 to 31.3.2003 and therefore the earlier circular No.ZD / 1003 / ASP / 2002 dated 04.9.2002 issued by LIC specifically for optional increase in sum insured will be applicable. It was clearly mentioned in the circular that all the pre - existing diseases shall not be covered for the increased part of the sum insured. Further analysis of the hospital case papers reveals that it was a case of Leiomyosarcoma for which Exploratory Laparotomy was done to remove the Tumour. The hospital case papers recorded the history as “known case of Leiomyosarcoma operaterd 2 years ago - repeat CT shows multiple intraperitoneal and retroperitoneal lesions. Known case of HT on T. Stamlo and k / c / o IHD”. The Radiology report and other investigations clearly mentioned Leiomyosarcoma with local recurrence. It was therefore abundantly clear that it was a case of recurrence of the disease and also the fact that surgery was done 2 years back which

confirms pre - existence of the disease. In the face of this Shri. Krishnaswamy's contention that he was keeping fit and was regularly attending office and therefore the disease was not pre - existing would not hold good as the medical reports would bear testimony that he was suffering from the disease as mentioned in the hospital case papeRs. Moreover Shri. Krishnaswamy himself admitted that the LIC circular would be applicable to the increased sum insured as well and he was all along trying to establish the same through his correspondence as also through deposition. In the facts and circumstances the decision of the Oriental Insurance Company to repudiate the claim to the extend of increased sum insured is in order. Hence the complaint made by Shri. S. Krishnaswamy, for balance sum of Rs. 1,90,000/- is not sustainable.

Mumbai Ombudsman Centre
Case No. GI - 418 / 2004 - 05
Shri. Ankush Ramchandra Bhosale
Vs.
The Oriental Insurance Company Limited

Award Dated 27.1.2005

Shri. Ankush Ramchandra Bhosale alongwith his family members were covered under a Group mediclaim Policy issued to LIC bearing No.111333 / 0 / 0 / 48 / 42 / 61 / 2004 for the period 1.4.2003 to 31.3.2004. Kum. Mayuri Bosale daughter of Shri. Ankush R. Bhosale was hospitalized at Paediatric Surgery Centre from 23.2.2004 to 2.3.2004 and had undergone plastic surgery for Bilatral Cleft Lip & Palate. When Shri. Ankush preferred a claim for the said hospitalisation on 15.3.2004, he received a letter from Paramount Health Services rejecting his claim on the ground that the claim was for external congenital disease. Not satisfied with the decision, Shri. Ankush R. Bhosale represented to the Company and aggrieved for not receiving any reply from the Company, he approached the Office of the Insurance Ombudsman seeking intervention of the Ombudsman with a plea that the surgery done was not for beautification but was done as his daughter could not take any food. He said that this was the first surgery and only after 2.3 surgeries she would be able to take food and live normally.

Records were perused and the parties to the dispute were called for hearing on 20.12.2004. Shri. Ankush R. Bhosale appeared and deposed but the Company did not attend the hearing and this Forum had advised the Company to send their final views. The Company vide their letter dated 10.1.2005 informed this Forum that "on scrutiny of the claim file it was found that the treatment was in respect of congenital external disease and as per LIC Group Mediclaim Policy the claim is payable".

The confirmation received from the Divisional Manager of Oriental Insurance D.O. XI is in line with the Agreement and MOU signed with LIC by the Company. The exclusion under the policy appears to be internal congenital problems / defects while cleft lip and palate is visible and distinctly causes problem to take food through lips. It is a question of sustenance and existence and cannot be termed as a treatment for beatutification. For this reason and also as per terms of MOU with LIC, the claim becomes admissible.

Mumbai Ombudsman Centre
Case No. GI - 523 / 2003 - 04
Ms. Shiela Rao
Vs.
United India Insurance Company Limited

Award Dated 14.2.2005

Ms. Shiela Rao was covered under Group Mediclaim Policy No. 022000 / 48 / 02 / 001099 insured through Dossa Medi care Ltd. with the United India Insurance Company Limited, D.O. 20. Ms. Sheila Rao was hospitalized at Bombay Hospital and Medical Research

Centre from 25.3.2003 to 29.3.2003 for Microdiscectomy. When she preferred a claim for the said hospitalisation to United India Insurance Company, the Company referred the matter to their Third Party Administrator M/s. Medicare Services Limited. The TPA after scrutinizing the hospital case papers repudiated the claim by invoking clause 4.1 of the mediclaim policy which was informed to Ms. Rao on 20.9.2003 via E - mail. Not satisfied with the decision of the Company Ms. Rao represented to the Company and also approached the Office of the Insurance Ombudsman seeking intervention of the Ombudsman in settlement of her claim. After perusing the entire records a joint hearing of the parties to the dispute were held.

The analysis of this claim file together with the documents reveals that the patient Ms. Shiela Rao was admitted with low back pain radiating to Rt lower limb off and on since 1985. There is a history of claudication and pain while caughing and sneezing. MRI of the lumbar spine showed large central and right paracentral disc hermiation at L4.L5 level compressing the anterior dural suface. Accordingly Microdiscectomy was done under general anesthesia. The Insured later disputed the recording of her ailment since 1985. The important point which should be noted here is the fact that whenever a patient is admitted to a hospital the hostory is recorded as per his or her statement. If the patient is unable to talk or not fully oriented then his relatives also narrate the past history. There was no reason to doubt the veracity of the statement as the history was given by Ms. Shiela Rao hereself.

In the facts and circumstances the decision of the Company to repudiate the claim on the ground of pre - existence of the disease cannot be faulted.

Mumbai Ombudsman Centre
Case No. GI - 677 / 2003 - 04
Shri. Agharia Zakir Hussain
Vs.
National Insurance Company Limited

Award Dated 9.3.2005

Shri. Zakirhussain Agharia and his son master Shehzaad Hussain Agharia was covered under a Group Mediclaim policy issued by National Insurance Company Limited through Medicare services since 15.3.2000. Master Shehzaad Hussain Agharia was hospitalized at Holy Family Hospital, Mumbai from 5.6.2003 to 6.6.2003 for Type - I Diabetes Mellitus. When the claim was preferred by Shri. Zakirhussain Agharia to Medicare Services, they repudiated the claim stating that the disease was pre - existing and hence the claim was not payable. Shri. Zakirhussain Agharia represented to the Third Party Administrator and not receiving any favourable decision approached the Office of the Insurance Ombudsman seeking interventin of the Ombudsman in settlement of his claim of Rs. 10,792. Records have been perused and the parties to the dispute were heard. The entire records have been examined by this Forum. It is not quite usual to encounter juvenile diabetes very often and when it happens it does indicate complications for quite sometime irrespective of whether some symptoms were picked up early by the parents or not. Master Agharia had vertigo, increased appetite, loss of body weight, increased thirst, urination and hunger - all classical symptoms of juvenile onset of high blood sugar and Diabetes. He was detected high diabetic type I and on admission had RBS 425 mg. The theory goes that the inflammatory process seems to stimulate the beta cells to produce slightly abnormal class II histocompatibility locus antigens (HLA). Lymphocites recognizes these agents as non - self and therefore destroy them, releasing more beta cells and so on. The HLAs in the pancreas are determined genetically and therefore, IDDM is considered hereditary.

In the facts and cirumstances the decision of the Company to repudiate the claim on the ground of pre - existence of the diesase cannot be interfered with.

Mumbai Ombudsman Centre
Case No. GI - 735 / 2003 - 04
Shri. Bharatkumar K. Gujarathi
Vs.
New India Assurance Company Limited

Award Dated 15.3.2005

Shri. B.K.Gujarathi was initially insured under Group Mediclaim India Card Scheme continuously without break from 1.1.1995 to 31.12.1998. His next insurance was under the same scheme from 1.2.1999 to 31.12.1999. Shri. Gujarathi then later on took the mediclaim policy from The New India Assurance Company Limited, Divisional Office 140300 from 30.3.2000. On 12.7.2002 Shri. Gujarathi experienced severe perspiration and chest pain and he was immediately admitted to Manisha Nursing Home. He was then shifted to P.D.Hinduja Hospital on the same day wherein he had undergone angiography and angioplasty. He was diagnosed to have Inferior Wall Myocardial Infarction with 2:1 A.V. block c Hypertension. When a claim was preferred for the said hospitalisation the Company based on their panel doctor's opinion repudiated the claim invoking clause 4.1 and 5.7 of the mediclaim policy. Not satisfied with the decision he represented to the Company and then approached the Office of the Insurance Ombudsman seeking intervention of the Ombudsman for redressal of his grievances. Records have been perused and the parties to the dispute were called for hearing. The issue is centering around exact duration of Hypertension and Diabetes for which the Company has rejected the claim.

A critical analysis of all these would make it evident that the duration of the disease of Hypertension is recorded as 8 yeaRs. However, the variation of Diabetes Mellitus notings between Manisha Nursing Home, first noting in P.D.Hinduja, subsequent notings and no mention of Hypertension duration but only known case of Hypertenstion leaves an impression that a strained effort was made to conceal the truth which comes under the purview of the exclusion 5.7 under the policy. As per records he was covered from 1.1.95 to 31.12.98 as a Card Member and later got him covered from 1.2.1999 and finally with New India only from 30.3.2000. Even granting the continuity which is actually not permissible, the episode of Hypertension for 8 years and his being on two Hypertension drugs would straightaway put the issue as suppression and non - disclosure as also pre - existing under clause 4.1 coupled with an attempt to conceal the facts coming under 5.7 clause of the policy for which new India's rejection can be upheld.

Mumbai Ombudsman Centre
Case No. GI - 76 / 2004 - 05
Smt. Anjali B. Mhatre
Vs.
The Oriental Insurance Company Ltd.

Award Dated 22.3.2005

Smt. Anjali B. Mhatre was covered under a Group Mediclaim Policy issued by The Oriental Insurance Company Ltd., D.O.XI, to Life Insurance Corporation of India covering their employees for the period 1.4.03 to 31.3.04. She was admitted to Siddhivinayak Healthcare General Hospital in Prabhadevi on 2nd August 2003 and was treated for Acute Abdominal Pain. She preferred the claim from the Oriental Insurance Co. Ltd., which they rejected on the ground that the hospital admission was only for investigations which is excluded under

the Policy exclusion clause 4.10. She was aggrieved at the decision, she approached Insurance Ombudsman with her grievance against the Company.

The reference to the Hospital was by Dr. MRs. Nirmala S. Tara and her certificate says “Referring MRs. Anjali Mhatre to you for complaints of abdominal pain, retrostrnal pain and burning and occasional loose motions since last few months. She has been treated with ulcikit for 14 days followed by Omez 20 mg. for one month. She has some relief but not completely all right yet. Also she is known hypertensive controlled with medicine and borderline diabetes mellitus. Kindly examine her and do the needful to rule out gastric, cardial pathology”.

The Hospital Discharge Card records “Patient admitted for Actue abdominal pain for investigation”. It is noted that initial dispute of discharge being on the same day i.e. 2nd August 2003 was corrected by the Hospital on request from the insured patient Smt. Mhatre. However, the main dispute of carrying out only investigations for “diagnostic purposes” is clearly established from the certificate of attending physician and admission note of Hospital. It should be admitted that there was no need for hosiptalization to carry out the investigations which could have been done as out - patient and also that hospitalization was utilized for investigations only to rule out cardiac problems etc. In the facts and circumstances the claim for reimbursement of expenses incurred for hospitalization by Smt. Anjali B. Mhatre is not sustainable. The case is disposed of accordingly.

Mumbai Ombudsman Centre
Case No. GI - 740 / 2003 - 04
Smt. Manisha M. Kulkarni
Vs.
United India Insurance Company Limited

Award Dated 31.3.2005

A Group Mediclaim policy was issued by United India Insurance Co. Ltd., to General Practitioners’ Association covering all its membeRs. Smt. Manisha M. Kulkarni was covered under the same policy for the period from 01.04.2002 to 31.03.2003 Smt. Manisha was hospitalised at Bombay Hospital under the care of Dr. Ajit G. Phadke. She was diagnosed to have Retroperitoneal fibrosis for which she had undergone Ureterolysis with omental. After hospitalisation, she preferred a claim to the company for reimbursement of her hospitalisation expenses. The Company scrutinised the file and led to the conclusion that the claim was barred under clause 5.4 of the policy which clearly states that the claim should be submitted within 30 days of discharge from the hospital. The same was intimated to the Insured by the Company.

An analysis of the records submitted revealed that United India Insurance Co. Ltd. has rejected the claim under clause 5.4 of the mediclaim policy as they received the claim forms from General Practitioners’ Association on 05.05.2003 i.e. after 30 days from the date of discharge of the Insured from the hospital. United India was advised to forward the terms of the cover provided to the Association with special MOU if any. From the records available it appears that except for expanding the provisions of coverage of a few items as per existing Mediclaim Policy, all other terms were exactly the same. There may be an internal arrangement further that United India would receive the claims duly processed by GPA so that some odd claims are filtered. In this process delay must have taken place which would be purely procedural and unintentional. As per calculation, the claim should have been lodged on 30.04.2003 and therefore 6 dyas delay has taken place which should be condoned in view of the other favourable factors of the claim which United India accepted at the hearing. To the pointed question whether they were objecting to the claim to be admitted on merit or on the technical point of only delay, they confirmed that they were objecting on the issue of delay only. Retroperitoneal fibrosis refers to development of

a mass of fibrotic tissue in the retroperitoneal space. This may lead to physical compression of the ureters, even the vena cova and aorta. In the present case exactly this happened for which ureterolysis was done. This Forum is not going into the discussion of the merits of the claim but on the reckoning it is covered under the policy read with MOU entered with GPA. Accordingly, I feel that the delay in submission will be adjudicated and I advise that this may be condoned and the claim be processed for settlement with a penalty of 15% deduction from admissible amount of payment for delayed submission and violation of policy condition 5.4.