



State of Punjab v. Ram Lubhaya Bagga

(1998) 1 SCR 1120

Country: India

Region: Asia

Year: 1998

Court: Supreme Court

Health Topics: Health care and health services, Health systems and financing, Hospitals

Human Rights: Right to health, Right to life, Right to social security

Facts

Government employees and pensioners of the State of Punjab were the beneficiaries of a policy (the Policy) for reimbursement of medical expenses, which was adopted in February 1995, authorising treatment outside Punjab at rates determined by the State Medical Board. The Policy replaced an older Policy of the state government.

An employee of the Punjab government, Ram Bagga (the Respondent), received emergency treatment, surgery and a post-operative check up from the Escorts Heart Institute and Research Center after suffering a heart attack. He sought reimbursement for these medical costs from the State of Punjab.

The Policy stipulated that medical cost reimbursement would occur at a rate determined by the Director, Health and Family Welfare, Punjab, on the advice of an expert committee. The Respondent sought full reimbursement of medical expenses, despite the treatment occurring after the approval of the new Policy.

The issue concerned whether the Policy was fair and reasonable, and whether only reimbursing a portion of medical expenses constituted a breach of Articles 21(right to life) and 47 (duty of the State to improve public health) of the Constitution, which guarantee the right to life and liberty and stipulate a duty to improve public health respectively

Decision and Reasoning

As to whether the Policy was fair and reasonable the Court agreed with the State of Punjab in that the policy allowed the patient sufficient choice in deciding on a hospital. Ex-post sanction could also be obtained. The only limitation to the choice was that the reimbursement amount would be limited. Such a limit was to be decided by a Committee of Technical Experts and would vary depending on the treatment package availed.

The Court further held that Article 21 guaranteed the right to life and the corresponding duty was with the state. The duty of the state was further re-enforced by Article 47 which established the primary duty of the state to secure health of its citizen by providing for not only adequate and appropriate medical facilities but also to bring them within the "reach of its people, as far as possible."

Regarding the financial restrictions in the policy, the Court held that it was not within its domain to pass judgment on the validity of a government policy except in cases where it was "arbitrary or violative of any constitutional, statutory or any other provision of law."

Reconciling the state's obligations under the Constitution with its financial capacity, the Court held that as states did not have unlimited financial resources it was permissible for the state to put in place scales and rates. The Court gave force to its argument by grounding it in Article 41 of the Constitution which recognizes certain duties of the state as being subject to "economic capacity and development." The Court upheld the constitutional validity of the Policy.

Decision Excerpts

"This Court has time and again emphasised to the Government and other authorities for focusing and giving priority and other authorities for focusing and giving priority to the health of its, citizen, which not only makes

one's life meaningful, improves one's efficiency, but in turn gives optimum output.â€• Page 22.

â€œNo State of any country can have unlimited resources to spend on any of its project. That is why it only approves its projects to the extent it is feasible. The same holds good for providing medical facilities to its citizen including its employeesâ€!Hence we come to the conclusion that principle of fixation of rate and scale under this new policy is justified and cannot be held to be violative of Article 21 or Article 47 of the Constitution of India.â€• Page 22.

â€œNo right could be absolute in a welfare Stateâ€! Hence every individual right has to give way to the right of public at large. Not every fundamental right under Part III of the Constitution is not absolute and it is to be within permissible reasonable restriction.â€• Page 22.

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