

# SIGNIFICANCE OF ALTERNATIVE DISPUTE RESOLUTION IN INDIAN HEALTHCARE SECTOR

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# **ABSTRACT:**

Arbitration in medicine is a form of alternative dispute resolution that involves the use of an impartial third party to resolve conflicts between healthcare providers and patients. There are many forms of Alternative Dispute Resolution like Arbitration, Mediation, conciliation, and Lok Adalat. This process can be voluntary or mandated by law and can be used to resolve a variety of disputes, including malpractice claims, insurance coverage disputes, and contractual disputes. The use of alternative Dispute Resolution in medicine has become increasingly common in recent years to avoid the time, expense, and uncertainty associated with traditional litigation. Proponents argue that Alternative Dispute Resolution can be more efficient, cost-effective, and fair than traditional litigation, and can result in quicker resolution of disputes. Critics of Alternative Dispute Resolution in medicine argue that it can be biased against patients, and can limit their ability to seek redress for medical malpractice. They also argue that Alternative Dispute Resolution agreements can be coercive, particularly when patients are required to sign them as a condition of receiving medical care. Alternative Dispute Resolution helps in fast dispute settlement and by doing this, it reduces the overburden of the Indian courts and serves quick justice as justice delayed is justice denied. Despite these concerns, Alternative Dispute Resolution in medicine continues to be used as a tool for resolving disputes in the healthcare industry. As the field continues to evolve, new forms of Alternative Dispute Resolution will likely emerge, and the role of arbitration in healthcare disputes will continue to be debated.

**KEYWORDS:** Alternative Dispute Resolution, Arbitration, Mediation, Lok Adalat, Healthcare sector, Medical Negligence, Medical Practitioner, Patients, and Medical Disputes.

# BACKGROUND OF THE STUDY

India is a country with a huge population and every citizen of the country has fundamental rights and interests which are to be protected by the laws enacted by the government. People file cases only when their fundamental rights get affected and exploited by someone else. The aggrieved parties seek remedies from the court. Litigation processes by the court take years and years to come to an end and compensate the aggrieved party to the dispute after a long struggle. Compared to litigation, Alternative Dispute Resolution helps in providing faster dispute settlements. These Alternative Dispute Resolution methods like Arbitration, Mediation, and Lok Adalat are more cost-efficient for the aggrieved parties than litigation expenses.

# **OBJECTIVE OF THE STUDY**

This study helps to understand what is Alternative Dispute Resolution what are the various methods of Alternative Dispute Resolution such as Arbitration, Mediation, and Lok Adalat, how Alternative Dispute Resolution works in disputes of the healthcare sector, what are the various disputes in the healthcare sector between patients and medical practitioners, Arbitration, Mediation, and Lok Adalat in medical disputes and case laws dealt by Arbitration, Mediation, and Lok Adalat under healthcare sector. At the end of the study, the contents of this paper will ensure you understand the working conditions of social workers in society.

## ALTERNATIVE DISPUTE RESOLUTION

Alternative Dispute Resolution mechanisms have the efficiency to replace traditional types of dispute resolution. Alternative Dispute Resolution helps a group of people who are not able to start any type of negotiation and conclude a settlement. Alternative Dispute Resolution deals with civil, commercial, industrial, and family matters. A third party resolves the dispute between the aggrieved parties. Alternative Dispute Resolution being the best method to settle disputes between the parties also amicably promotes fairness and process. There are various modes of Alternative Dispute Resolution. They are Arbitration, Mediation, Conciliation, and Lok Adalat. The number of lawsuits filed in Indian courts has significantly grown over the past few years, causing a backlog, and delays, and highlighting the need for Alternative Dispute Resolution methods. The fundamental principles of Alternative Dispute Resolution are also Articles 14 and 21 of the Indian Constitution, which guarantee that all individuals enjoy the same legal rights and the right to life and liberty. Two other objectives of alternative dispute resolution (ADR) are equal justice and the right to free legal representation granted by Article 39-A, Directive Principle of State Policy (DPSP) of the Indian Constitution of 1950.

## **ARBITRATION**

Arbitration is a process of dispute settlement by a third party who is appointed to investigate and hear the dispute between both parties and conclude a decision that binding on both parties. The decision made by the Arbitrator (third party) is an Award.

## **MEDIATION**

Mediation is a process of resolving disputes between both parties where the mediator (third party) helps them to agree.

# CONCILIATION

Conciliation is a method of resolution of disputes in an amicable manner between the parties. In conciliation, the conciliator (third party) meets the parties separately to resolve their disputes. They conclude a negotiated settlement.

## LOK ADALAT

Lok Adalat is known as the people's court which is controlled by a sitting or retired judicial officer or social activist. National Legal Service Authority (NALSA) with any other legal organizations conducts Lok Adalat. The process of Lok Adalat is fast due to its inflexible procedure with no court fees. Lengthy pending cases can be transferred to Lok Adalat from a regular court if the parties agreed to do so.

# ADVANTAGES OF ALTERNATIVE DISPUTE RESOLUTION

- 1. Alternative Dispute Resolution method saves a lot of money as Litigation costs more. Alternative Dispute Resolution is a cost-friendly method.
- 2. Compared to courts, Alternative Dispute Resolution resolves disputes between the parties in a very brief period.
- 3. Informal methods in Alternative Dispute Resolution helps in resolving disputes.
- 4. Alternative Dispute Resolution is exempted from the complexities of court procedures.
- 5. Alternative Dispute Resolution ensures an amicable relationship between the parties.
- 6. Alternative resolves Dispute in an amicable manner.
- 7. Alternative Dispute Resolution protects the interest of both parties.
- 8. Alternative Dispute Resolution does not have a rigid system.
- 9. Backlogs of the lengthy case will be settled faster in the Alternative Dispute Resolution method.

# **DISADVANTAGE**

- 1. Sometimes one party wants to proceed with litigation and the other party wants to proceed with Alternative Dispute Resolution
- 2. High possibility of delivering injustice.
- 3. Misinterpretation of facts of the parties.

## ALTERNATIVE DISPUTE RESOLUTION IN THE HEALTHCARE SECTOR

Aggrieved parties preferred using Alternative Dispute Resolution nowadays as a cost-cutting in their litigation process. The ongoing healthcare catastrophe is a never-ending debate. This has become one of the productive systems to settle all the long pending cases. There is a high possibility of all the disputes being settled through Alternative Dispute Resolution in India. Alternative Dispute Resolution helps in fast dispute settlement and by doing this, it reduces the overburden of the Indian courts and serves quick justice as justice delayed is justice denied. Alternative Dispute Resolution reduces litigation costs. The party injured by a breach of healthcare contract, involving insurance plans, work contracts, or conflicts between payers and providers of healthcare, may take a personal lawsuit even against the party at fault. The parties are free to choose their third party (Arbitrator, Mediator, or Conciliator) who are expert and has specific knowledge to analyze the case history and to resolve their disputes.

World Health Organisation (WHO) gives a survey that "Around 2.6 million deaths occur due to medical negligence across the world. An average of 5 patients per minute is being killed due to unsecured medical care across the world." <sup>1</sup>

The public's growing concern over the patient's safety and need for openness on the part of the healthcare and physicians is a result of numerous lawsuits filed against the healthcare department. There are many unresolved cases in India's legal system, which cause the delivery of justice to be delayed. Justice and a sizable compensating award are achieved through litigation, but the wait is so great that defendants are either too old or unable to accept the enormous rewards. To dispose of these pending and unsolved cases, healthcare workers and patients gradually started to accept the Alternative Dispute Resolution method. Alternative Dispute Resolution promotes the speedy disposal of pending and unsolved cases. Various medical issues are prevalent in the healthcare sector including conflicts between medical practitioners and patients. Cases like medical negligence, pharmaceutical errors, medical malpractice, breach of trust between the medical practitioner and the patient, wrongful treatment, misdiagnosis, medication errors, infections due to wrong medication, and many other complexities are the grounds for conflicts in the healthcare sector. A recent study taken by the National Law School of India University (NLSIU), Bengaluru, has pointed out the reasons for the increase in medical litigation, and cases of medical negligence got increased up to 400% in the last ten years. The rise of medical litigation leads people to access the Alternative Dispute Resolution system to receive quick justice. Reasons for the increase in medical litigation are consumers have increasingly aware of their rights and duties and are raising their voices in case of deficiency in service or if someone exploits their consumer rights. Flexibility in consumer courts to file a consumer complaint before the consumer courts. This also involves consumers arguing for themselves rather than hiring an advocate. The cost of litigation is comparatively more than the cost involves in alternative dispute resolution mechanisms. People tend to move towards an Alternative Dispute Resolution mechanism to cut their litigation expenses. The trust between medical practitioners and patients is also diminishing due to medical negligence. Cases of medical negligence increasing in the healthcare sector are piled in the Indian courts. Alternative Dispute Resolution helps to resolve all these cases that are piled in the court. Consumers should be more informed about the Alternative Dispute Resolution system so that consumers choose and accept the Alternative Dispute Resolution to reduce their litigation expenses in the healthcare sector. The debate also makes it easier to decide whether using the Alternative Dispute Resolution process is the best way to resolve the conflicts that arise in the medical sector.<sup>2</sup>

# DISPUTES IN THE MEDICAL SECTOR

Disputes in the healthcare sector are complex in nature and result in the cancellation of a medical practitioner's medical license and doubt about the ability of the physician to practice.

- 1. Incidents of false claims and fraud on physicians, hospitals, pharmacies, and pharmaceutical companies.
- 2. Minor conflicts between hospital workers and the management.
- 3. Conflicts may arise during or after the healthcare center's mergers and acquisitions.
- 4. Disagreement brought by the hospital's breach of contract.
- 5. Administrative problems involving risk sharing, insurance, and compensation.
- 6. Disputes resulting from excessive and inaccurate billing by the hospital.
- 7. Medical misconduct is caused by the clinical standard of care being questioned due to medical needs.
- 8. Disagreement between healthcare and pharmaceutical companies.
- 9. Conflicts between the public and the medical practitioner.
- 10. Medical negligence

https://health.economictimes.indiatimes.com/news/industry/medical-litigation-cases-go-up-by-400-show-stats/50062328

<sup>&</sup>lt;sup>1</sup> Patient Safety, WORLD HEALTH ORGANIZATION (WHO), <a href="https://www.who.int/news-room/fact-sheets/detail/patient-safety">https://www.who.int/news-room/fact-sheets/detail/patient-safety</a>).

 $<sup>^2</sup>$  Medical litigation cases go up by 400%, show stats - ET HealthWorld, ETHEALTHWORLD.COM ),

## ARBITRATION IN THE HEALTHCARE SECTOR

Arbitration can resolve a few healthcare disputes but not all healthcare disputes. The arbitrator (Third party) makes a decision that is binding to both parties to the dispute. The patient has a civil right to get quality care from the medical practitioners and the employees at the hospital. Nonetheless, because there are consenting parties and payment in the sort of consideration in return for the treatment provided, there is also an implied contract between the physician and the individual receiving treatment. Healthcare conflicts involve both contractual and tortious elements, and both the patients and doctors have rights in rem and right in personam.

In the *Food Corporation of India v Joginderpal Mohinderpal* case<sup>3</sup>, the Supreme Court held that the legal framework of arbitration must be made more obvious, easier to understand, and more flexible to practical circumstances. Arbitration also needs to be reactive to the principles of justice and fair play, and the arbitrator should abide by the procedures and standards that will inspire confidence not only by granting justice to the parties but also by providing the impression that justice has been granted. The Alternative Dispute Resolution procedure of adjudication was strongly emphasized in this case. Since the courts cannot resolve every disagreement, other forms of Alternative Dispute Resolution, such as arbitration, conciliation, etc., are used when appropriate.<sup>4</sup>

In Afcons Infrastructure v. Cherian Varkey Construction case<sup>5</sup>, the supreme court highlighted the need for mediation, particularly in business disputes, and said that this form of ADR is excellent for parties who are prepared to negotiate a settlement to complex disputes. Due to linguistic and cultural barriers as well as widespread disparities, it will be challenging for the healthcare sector in India to transition from litigation to ADR. According to the case's circumstances, on April 20, 2001, Cochin Port Trust entered a contract with Afcons Infrastructure Ltd. for the building of several bridges. On August 1, 2001, Afcons Infrastructure Ltd, the case's appellant, subcontracted a portion of the work to the case's respondent, Cherian Varkey Construction Company. No arbitration clause was included in the contract between the two construction firms. Soon after, there was a disagreement between the corporations, and the respondent sued the appellant and its assets to recover the money owed to it by the Cochin Port Trust, plus interest of 18% per year, for approximately Rs. 21 million. After that, the respondent applied to the trial court under Section 89 of the code asking for the court to refer the case to arbitration. The appellant objected to the application and stated that they were unwilling to use arbitration or any other ADR procedures permitted by Section 89 of the CPC.

Section 89 of the Code of Civil Procedure, of 1908 states that the settlement of disputes outside the courts

(1) Where it appears to the Court that there exist elements of a settlement that may be acceptable to the parties, the Court shall formulate the terms of settlement and give them to the parties for their observations and after receiving the observations of the parties, the Court may reformulate the terms of a possible settlement and refer the same for:-

- (a) arbitration:
- (b) conciliation;
- (c) judicial settlement including settlement through Lok Adalat: or
- (d) mediation.
- (2) Were a dispute has been referred—
- (a) for arbitration or conciliation, the provisions of the Arbitration and Conciliation Act, 1996 (26 of 1996) shall apply as if the proceedings for arbitration or conciliation were referred for settlement under the provisions of that Act;
- (b) to Lok Adalat, the Court shall refer the same to the Lok Adalat by the provisions of sub-section (1) of section 20 of the Legal Services Authority Act, 1987 (39 of 1987) and all other provisions of that Act shall apply in respect of the dispute so referred to the Lok Adalat;
- (c) for judicial settlement, the Court shall refer the same to a suitable institution or person and such institution or person shall be deemed to be a Lok Adalat, and all the provisions of the Legal Services Authority Act, 1987 (39 of 1987) shall apply as if the dispute were referred to a Lok Adalat under the provisions of that Act;
- (d) for mediation, the Court shall effect a compromise between the parties and shall follow such procedure as may be prescribed.]

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<sup>&</sup>lt;sup>3</sup> See 1989 AIR 1263, 1989 SCR(1) 880

<sup>&</sup>lt;sup>4</sup> Alternative Dispute Resolution: Effective Catalyst In Resolving Disputes - Legal Articles in India, Legal Articles in

<sup>&</sup>lt;sup>5</sup> See 2010 (8) SCC 24, Afcons Infrastructure v. Cherian Varkey Construction.

Additionally, the appellant appealed the attachment decision, and the Kerala High Court granted the appeal in an order dated September 8, 2005, ordering the Trial Court to consider and decide the respondent's plea under Section 89 of the CPC. The Trial Court heard the Section 89 petition and noted that the Respondent was amenable to arbitration but the Appellant was not. Nevertheless, the Court held that it was proper for the disagreement to be resolved by arbitration because the issue concerned a work contract. Unhappy with the trial court's ruling, the appellant petitioned the High Court for a revision; however, the petition was denied, and the Court concluded that Section 89 of the CPC allows courts to submit even unwilling parties to arbitration when necessary. The High Court agreed with the decision in Sukanya Holdings (P) Ltd. v. Jayesh H. Pandya<sup>6</sup>, holding that it was not a requirement for the courts to refer a matter to arbitration under Section 89 of the CPC. The High Court did, however, consider the requirement of a pre-existing arbitration agreement under the Arbitration and Conciliation Act, of 1996. As a last-ditch effort, the appellant submitted a Special Leave Petition to the Supreme Court of India. Before using purposive construction and concluding that, although poorly written, Section 89 does presuppose the existence of an arbitration agreement between the parties, the Supreme Court carefully considered the goal of the provision and the drafters' intentions. The disagreement can be submitted to arbitration, but only if the parties agree to it, if there is no arbitration agreement in place but the courts believe that arbitration would be the best option for resolving the conflict. The Supreme Court interpreted the clause by the Arbitration and Conciliation Act of 1996 and found that, in the absence of an arbitration agreement, the courts lack the right, power, or jurisdiction to submit unhappy parties to arbitration.

In *Booz Allen and Hamilton Inc. v. State Bank of India Home Finance Ltd* case<sup>7</sup>, the Honourable Supreme Court elucidated the importance of Arbitration.

Facts – In this instance, State Bank of India Home Finance Ltd provided a loan to Capstone Investment Co Pvt Ltd and Real Value Appliance Pvt Ltd. The two corporations mortgaged their apartments to acquire the money they requested. Following that, the two enterprises signed a lease and license part with Booz Allen and Hamilton Inc. The four parties entered a security deposit contract that included an arbitration clause. Due to a disagreement, the State Bank of India sued to obtain money through the sale of the suit's property.

Issue – whether a lawsuit for the sale—based enforcement of a mortgage can be decided by an arbitral tribunal; and if the lawsuit's subject matter fell under the purview of an arbitration agreement?

Held – The Hon'ble Supreme Court dismissing this suit recognized three essentials that should satisfy the subject matter of Arbitration.

- 1. The conflicts must be able to be settled through arbitration and adjudication.
- 2. A clause in the arbitration agreement must address the disputes.
- 3. The arbitration proceedings must have been requested by the parties.

It was held that a dispute that is related to right in personam is resolved through arbitration and a dispute that is related to right in rem is required to be adjudicated by courts. Right in personam is arbitrable.

Arbitration can resolve disputes between patients and doctors amicably. The affected party may file a personam action against the party who breached the contract, and those actions may be arbitrable, in contractual disputes affecting the healthcare industry, such as insurance, work conflicts, and conflicts involving payers and providers.

Arbitration can be used to resolve contractual disputes in the healthcare industry where precise fulfillment of contractual duty is required. Medical malpractice can be arbitrated based on the severity of the allegations.

In A. Ayyasamy v. A. Paramasivam case <sup>8</sup>, the court observed that unimportant and flippant frauds can be settled through arbitration.

Facts – The appellant and the respondent entered a partnership deed to run a hotel business. By section 8 of the Arbitration and Conciliation Act of 1996, the appellant requested the appointment of an arbitrator. The respondent opposed this application by arguing that the serious allegations of fraud are not arbitrable and proper course of action was to approach a civil court by filing a lawsuit, which is exactly what the respondents did. The trial court rejected

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<sup>&</sup>lt;sup>6</sup> See (2003) 5 SCC 531, Sukanya Holdings (P) Ltd. v. Jayesh H. Pandya.

<sup>&</sup>lt;sup>7</sup> See (2011) 5 SCC 532, Booz Allen and Hamilton Inc. v. State Bank of India Home Finance Ltd.

<sup>&</sup>lt;sup>8</sup> (2016) 10 SCC 386, A.Ayyasamy V. A.Paramasivam & ors.

the appellant's plea and cited the ruling in the N. Radhakrishnan case in doing so. It was set aside again in the high court.

Issue – Whether the suit of fraud could be adjudicated by the Arbitral Tribunal?

Held – The Supreme Court held that mere allegations of fraud can be arbitrated and serious allegations of fraud cannot be arbitrated.

## MEDIATION IN THE HEALTHCARE SECTOR

The objective of the mediation procedure is to provide comfortable surroundings throughout the settlement process by building faith among the parties and settling the dispute amicably. Mediation is a more useful procedure for dispute resolution in the healthcare sector than litigation.

Justice R. V. Raveendran noted the following six issues with judicial decision-making. They are as follows: (a) delay in resolution of the dispute; (b) uncertainty of outcome; (c) inflexibility in the result/solution; (d) high cost; (e) difficulties in enforcement; and (f) hostile atmosphere.<sup>9</sup>

Litigation in medical disputes also increases pressure on the doctor to carry out more negligence during his employment. The mediation process is confidential between the parties and gives free space to speak up about their contentions without fear. The duration of the mediation process depends upon the difficulty of the disputes. The process of mediation results in friendly solutions without endangering the relationship of the dispute parties.

In Dr. Laxman Balkrishna Joshi v. Dr. Trimbak Babu Godbole case<sup>10</sup>,

Facts – Ananda, a small boy fractured his left leg during an accident. Dr. Risbud being a local physician tied his leg with a wooden board and told the boy not to move his leg. Although the boy was in good condition, Dr. Risbud suggested Ananda move to Poona for further treatment. The boy with Dr. Risbud moved to Poona. The Respondents took the boy to the appellant's hospital. The Assistant of the appellant, Dr. Irani in the absence of the appellant injected one injection (Morphia) but she was instructed to inject two injections for Ananda at an hour interval. Then the treatment was done successfully for Ananda. After treatment, he felt difficulty breathing as a side effect of the injection injected inside his body. The Appellant, Dr. Irani stated that the cause of death was a fat embolism in the certificate.

Respondent's Contention – The respondent contends that the appellant did not carry out the required initial examination of Ananda and Morphia and should be injected with the proper examination which was not done.

The Trial Court's findings – The trial court concluded that Dr. Irani had carried out a fracture reduction procedure without administering Anaesthesia to Ananda which resulted in an embolism and caused him to die.

The High Court's findings – The high court concluded after examining the evidence provided and after hearing from the appellant that excessive force was given by the three attendants for dragging the injured leg of the patient and treatment was undergone and the leg was put in plaster of Paris without anesthesia which led to embolism and the patient died.

The Supreme Court's findings – After analyzing the trial court's findings and the high court's findings, the Supreme Court did not interfere in the decision of the trial court and the high court.

Held - Observation made by the Supreme Court - A person should be skillful and have the proper knowledge to give proper medical assistance. Doctors must have a duty of care on what treatment should be given to patients, a duty of care on what injection should be administrated to the patient, and many more medical negligence suits by the patient will be filed in case of breach of the duties of care by the doctor.

The conflicts may have resulted from a breakdown in communication or a patient was unaware of the level of care necessary to be given in that situation, as the reasonable degree of care is unclear and varies depending on the situation. This type of conflict can be resolved through mediation. Mediation results in a fruitful solution for the parties to the

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<sup>&</sup>lt;sup>9</sup> See The book 'Mediation - An Introduction' by Justice R. V. Raveendran https://legalservices.maharashtra.gov.in/Site/Upload/Pdf/mediation-introduction.pdf

 $<sup>^{10}</sup>$  See 1969 AIR 128, Dr. Laxman Balkrishna Joshi v. Dr. Trimbak Babu Godbole

dispute by doctor's reasonable care, development of better treatment for the patients, and training staff in a more effective way. Mediation also saves a lot of money and settles disputes amicably.

In Kunal Saha v. AMRI hospital case<sup>11</sup>

Facts – Dr. Anuradha Saha and her husband Dr. Kunal Saha came for vacation from the U.S. to Kolkata on 1st April 1998. After a few days, Anuradha Saha developed skin rashes along with a fever. After getting suggestions from their friends, they consulted a famous doctor named Sukumar Mukherjee. Dr. Sukumar Mukherjee administered an injection and prescribed a few tablets. After the intake of tablets, Anuradha's body condition got, even more, worsen with more body rashes and increased body temperature which resulted in a high fever. Soon Anuradha was admitted to AMRI Hospital, Kolkata. Again, Anuradha's body condition was examined by Dr. Mukherjee then he administered another dose of injection. Dr. Anuradha Saha and Kunal Saha left for U.S. and Anuradha Saha developed severe skin rashes after some days and suffered from skin separation from her limbs and her back. Soon Dr. Kunal Saha got his wife Anuradha Saha through air ambulance to Kolkata for treatment as her body condition was worsened. The doctor on treatment noticed green patches on her body. Dr. Anuradha Saha passed away due to toxic Epidermal Necrolysis on 28<sup>th</sup> May 1998. Then Dr. Kunal Saha filed a complaint before NCDRC (National Consumer Dispute Redressal Commission) in November 1998. Dr. Kunal Saha, the late Anuradha Saha's husband filed criminal and civil lawsuits against AMRI Hospital, and Dr. Mukherjee, Dr. B Haldar, and Dr. Balram Prasad under medical negligence on 9th March 1999.

Held – The Supreme Court allowed the civil appeal and rejected the criminal appeal. The Supreme Court held that Dr. Mukherjee, Dr. B Haldar, Dr. Balram Prasad, and AMRI Hospital were negligent in the civil case and ordered them to pay a sum of 6 crores in Indian rupees because of the losses and damages incurred by DR. Kunal Saha such as complicated financial situation (financial instability), the pain of his wife's loss, his higher litigation expenses, lost his job, and loss of income od his late wife. The court held that the hospital and the senior doctors are guilty of medical negligence and ordered Dr. Mukherjee and Dr. Balram Prasad to pay Rs. 10 Lakhs each and Dr. Haldar must pay Rs. 5 Lakhs to Dr. Kunal Saha. Dr. Kunal Saha being a resident of the U.S. battled bitter litigation, lost his job throughout the process, and it took him 15 years to receive this compensation. He also made 12 trips to India during the litigation process. Only monetary compensation was given and the doctor's licenses were not revoked. Although Dr. Kunal Saha received compensation of Rs. 6 Crores after a long battle of 15 years of litigation, he lost his job during the process. It would have had a quick resolution if the dispute was resolved by arbitration or mediation, Medical Negligence and Medical Malpractice cases in India should be Arbitrated to prevent these delays of judgment. In this case, Dr. Kunal Saha had to wait 15 years to receive compensation during which time he had travelled to India 12 times, lost his job, and had to remember the awful incident repeatedly.

If this case has been settled through Mediation, he might have received compensation faster but unluckily the entire litigation procedure cost him his career. The cost of litigation would be reduced if this case is dealt with through the mediation procedure. Only in mediation, it is possible to communicate with the parties to the disputes. The impartial mediator aids parties in comprehending one another's requirements and interests. Mediation in Medial negligence helps the hospital to increase their standard of providing treatments to the patients and to improve their infrastructure.

# LOK ADALAT IN THE HEALTHCARE SECTOR

To reduce the workload on the court system and facilitate conflict resolution, the Indian legal system created the Lok Adalat forum as an Alternative Dispute Resolution (ADR) forum. Pending cases before any court can be settled through Lok Adalat. A medical-related issue may be settled by the Lok Adalat forum with Section 22A(b) of The Legal Services Authorities Act, 1987, which defines Public Utility Services (PSU) as services provided in a hospital or dispensary. The present judge may refer the ongoing medical disagreements to the Permanent Lok Adalat although the parties decided to resolve the dispute outside of court. Medical negligence and Medi-claims insurance are healthcare sector disputes that can be resolved in Permanent Lok Adalat. By bringing medical problems to Lok Adalat, one can eliminate court costs, make the whole process engaging, and accelerate dispute resolution. Due to its effectiveness in resolving conflicts, Lok Adalat should be used regularly to resolve medical disputes. This would help to reduce the burden of legal proceedings and enable a significant number of medical-related disputes to be resolved quickly. Over the past three years, Lok Adalat has closed, on roughly more than 50 lakh cases every year. Unlike the broader strategy used by the Arbitration and Conciliation Act of 1996, the Lok Adalat system created by the National Legal Services Authority Act of 1987 is a distinct Indian Alternative Dispute Resolution method.

<sup>&</sup>lt;sup>11</sup> See SSC 384 (2014), Kunal Saha v. AMRI hospital

In Sushila Devi Vs. Permanent Lok Adalat and another<sup>12</sup> case, the petitioner opposes the Permanent Lok Adalat's decision to deny medical malpractice compensation. The patient filed a claim petition against respondent no. 2 seeking compensation for the medical malpractice of the surgeon who operated on her in respondent no. 2's facility. The Permanent Lok Adalat had rejected the claim because the petitioner had not provided sufficient evidence to support the claim of medical malpractice on the side of the surgeon. It was held that the abnormality the claimant experienced cannot be caused by the treatment given by the doctor.

## **SUGGESTIONS**

- 1. Numerous studies and surveys have shown that arbitration hearings go no more than two to four days, whereas traditional litigation hearings last several weeks, months, and years in court. The identical research revealed that medical malpractice litigation typically lasted thirty-three months and medical malpractice arbitration nineteen months on average. It has been made abundantly evident that Alternative Dispute Resolution is less time-consuming and has a quicker process than a typical court proceeding. Faster Dispute Resolution: Many cases can be considered and resolved in a single day, Unlike Judicial processes.
- 2. According to studies, traditional litigation is more expensive than Alternative Dispute Resolution when it comes to resolving issues involving medical misconduct. Alternative Dispute Resolution does not necessitate a large financial investment because the cost of the processes, lawyers, and other expenses makes up half of the total cost.
- 3. The steps done after an Alternative Dispute Resolution can result in better care for future patients, lowering the risks of specific procedures, enhancing hospital conditions, and raising patient safety in addition to the possibility of lower costs to healthcare providers.
- 4. Alternative dispute resolution eventually shields patients and physicians from one another. It promotes understanding while deterring both parties from degrading one another or adopting the "us or them" mentality that is prevalent in legal proceedings. This indicates that a win-win outcome is possible, as opposed to merely one party being successful in a lawsuit.
- 5. Alternative Dispute Resolution has been successful in minimizing the piled up of cases. Alternate Dispute Resolution also reduces the overburden of litigation processes.
- 6. To encourage the necessity for resolving healthcare disputes using Alternative Dispute Resolution processes, appropriate clauses, and provisions must be included in the admission agreements signed by healthcare facility providers and users. The agreements must contain provisions requiring compulsory negotiation, mediation, or arbitration if a conflict between the parties should ever emerge in the hospital for deficiency in services, medical negligence, medical malpractice, disputes brought by the hospital's breach of contract, Medical misconduct is caused by the clinical standard of care being questioned due to medical needs, and Incidents of false claims and fraud on physicians, hospitals, pharmacies, and pharmaceutical companies.

# **CONCLUSION**

The main barrier to Alternative Dispute Resolution in the medical sector in India is the wide gap between the services provided by public and private facilities and the effect this has on their capacity to settle disputes. Government hospitals get less funding than commercial hospitals while having more patients. As a result, there is a high level of patient dissatisfaction and constant physician overwork. There is no setting that is good for mediation under these circumstances. Using Alternative Dispute Resolution, disputes between medical practitioners and patients can be easily settled amicably. Alternative Dispute Resolution plays a big part because it is efficient and speedy. Alternative Dispute Resolution is another name for an out-of-court settlement. It is a technique for settling a dispute without going to court. A wide spectrum of healthcare providers is now using Alternative Dispute Resolution methods to cut huge litigation expenses including Arbitration, Mediation, and Lok Adalat. Many case laws talk about the importance of Alternative Dispute Resolution in the medical sector and the need for Alternative Dispute Resolution in the healthcare sector.

<sup>&</sup>lt;sup>12</sup> https://elegalix.allahabadhighcourt.in/elegalix/WebShowJudgment.do