
MEDICAL SERVICES UNDER THE CONSUMER PROTECTION ACT: A LEGAL AND ETHICAL ANALYSIS

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ABSTRACT

The addition of medical services to Consumer Protection Act, 2019 (CPA) in India has generated substantial discussion about legal and ethical matters. The Act ensures patient access to medical negligence legal protection but creates challenges about its influence on the doctor-patient bond and defensive medical tactics and possible improper litigation cases. The research investigates how medical services became consumer rights in law starting from their origins until current legal and judicial developments including their ongoing controversies. Through an analysis of landmark cases such as *Indian Medical Association v. V.P. Shantha* (1995) and *Balram Prasad v. The study* examines how the legal environment changes based on research from Kunal Saha (2013) which impacts medical professionals as well as patient rights. The research dives into worldwide medical negligence legislation frameworks before proposing reforms for managing the consumer rights versus medical independent practice tension.

The research examines Medical Negligence within the context of the Consumer Protection Act along with instances of Doctor-Patient Relationships and Consumer Rights together with significant legal cases and Healthcare Litigation.

Introduction

Patients have enormous faith in medical professionals to deliver ethical treatment along with competent healthcare services because healthcare remains their fundamental need. Medical negligence cases have become a subject of concern regarding patient legal rights while scrutiny exists for healthcare providers' accountability. The Consumer Protection Act 2019 functions as the primary legal instrument in India to protect medical patients and other healthcare consumers. Whether medical services should be classified as a consumer right continues to spark intense legal and ethical discussion because of how it connects to professional responsibilities as well as service responsibilities and patient rights.

Indian Medical Association v. V.P. Shantha (1995) confirmed through Supreme Court judgment that patients who pay for medical treatment become "consumers" under the Consumer Protection Act. The court ruling established a decisive change by subjecting medical practitioners to consumer law standards thus enabling patients to pursue medical negligence claims.¹ Medical care treatment being exchanged for monetary value diminishes both clinical relationships and causes healthcare professionals to perform defensively.¹

Research Methodology

A doctrinal research method has been used in this study to analyze statutory laws and judicial decisions and academic works regarding medical services classifications under consumer law. The research mainly depends on qualitative examination which analyzes judicial legal interpretation alongside cross-jurisdictional law comparisons.

Major Legal Components & Acts Involved

Consumer: Anyone who uses services by either full or partial payment to gain benefits falls under the category of consumer. The definition encompasses beneficiaries who derive benefit from service use even if they did not make direct payments.

Medical Negligence: Medical professionals who breach their duty of care to patients through non-standard medical procedures perform medical negligence that leads to patient injuries. Medical care issues stem from human errors or poor skills and carelessness together with

¹ Indian Med. Ass'n v. V.P. Shantha, (1995) 6 S.C.C. 651 (India).

insufficient medical professional competence. Standard procedure represents how competent medical experts in their field should operate to provide their services.

Difference between occupation and profession: Throughout relevant cases courts establish an essential difference between occupation and profession where occupations qualify as "services" but professions do not. The distinction between occupation and profession holds vital importance to establish whether medical personnel like doctors can face accountability through consumer protection legislation.

Acts Involved: Consumer Protection Act, 1986. Passed by the Indian Parliament.

Historical Background

Medical negligence claims received legal treatment by civil suits and tort law until 1995 when the Supreme Court decision made medical services subject to the Consumer Protection Act. The question about placing medical services under consumer protection laws was disputed until Indian Medical Association v. V.P. Shantha (1995) produced a decisive Supreme Court decision. Medical services only fell outside of the Consumer Protection Act 1986 definition when performed for free or under personal service contracts. The legislation gave medical patients the right to file medical negligence claims through consumer protection bodies instead of going through traditional civil court proceedings.

People seeking healthcare at charging facilities could seek protection under the Act regardless of whatever free services hospitals provided. Later judicial rulings alongside Consumer Protection Act 2019 strengthened the role of consumer forums when addressing medical disputes.

Healthcare professionals strongly reject the classification of medical treatment as a commercial offer because they view it as a required medical duty. The healthcare profession opposes this classification because it believes there will be more unwarranted legal actions which create added legal stress that leads doctors to practice medicine defensively instead of providing quality care.

Legal Framework, Judicial Precedents and Case Studies

By law and through court decisions medical services have received consumer protection status.

Through the Consumer Protection Act, 2019 (CPA, 2019) medical patients gain defense against service deficiencies such as medical negligence through the acknowledgment of their contractual position with healthcare providers. Under Section 2(42) of the Act a consumer refers to those who obtain services in exchange for payment but the definition specifically excludes free services or personal contractual agreements.² The courts explicitly recognize paid medical care as protected consumer rights under this provision which makes healthcare providers responsible for both professional mistakes and improper medical treatment as well as unfair trade practices. Medical professionals disagree about healthcare classification as consumer protection law because they think such recognition might produce defensive medical responses and wrong medical lawsuit claims.

The Supreme Court made a historic decision through *Indian Medical Association v. V.P. Shantha* (1995) to make medical services a component of the CPA framework. The Court made it clear that healthcare consumers include those who pay for their treatments which allows them to use consumer forums for medical negligence complaints. The court decided free medical services should not count as part of the Act unless medical institutions applied a dual-payment scheme discriminating between charged and free patients. The court decision established a simplified method for medical liability compensations while strengthening doctors' responsibility based on consumer rights laws. This case has expanded its established principles through multiple legal references following its initial ratification. In *Jacob Mathew v. State of Punjab* (2005)³ The Supreme Court implemented Bolam Test⁴ which became the legal benchmark to determine whether doctor actions aligned with existing medical professional standards.

According to court rulings medical practitioners remain free from negligence charges when their treatment results in failure because professional standards must be violated to prove negligence. The court introduced this ruling to shield physicians from subjective scrutiny about unsuccessful treatments and at the same time allow legitimate cases of medical negligence to progress.

The *Kusum Sharma v. Batra Hospital*, (2010)⁵ decision stated medical negligence needs clear

2 Consumer Protection Act, No. 35 of 2019, § 2(42) (India).

3 *Jacob Mathew v. State of Punjab*, (2005) 6 S.C.C. 1 (India).

4 *Bolam v. Friern Hosp. Mgmt. Comm.*, [1957] 1 W.L.R. 582 (Q.B.) (Eng.).

5 *Kusum Sharma v. Batra Hosp. & Med. Research Ctr.*, (2010) 3 S.C.C. 480 (India).

evidence to prove such offenses and disputes about treatment methods cannot establish professional responsibility. According to the Supreme Court, standard medical practices followed by doctors exempt them from responsibility for medical treatment complications. The *Balram Prasad v. Kunal Saha*, (2013) case implemented the same medical negligence standards. The Court established medical negligence compensation records in Indian history by granting ₹11.41 crore in this judgment.⁶ The ruling mandated hospitals together with medical professionals to conduct therapy according to nationally accepted treatment standards in cases of toxic epidermal necrolysis. Similarly, in *Nizam Institute of Medical Sciences v. Prasanth S. Dhananka* (2009) case judgement the Court declared hospitals must bear complete accountability for all negligent medical staff activities because institutions are prohibited from excusing responsibility through doctor blame.⁷

Consumer protection laws categorizing medical services remains a heated matter although legal adjustments have been made. Consumer advocates push for patient legal possibilities to fight medical malpractice alongside unethical practices which healthcare professionals oppose because it encourages defensive medicine that leads doctors to choose legal security over patient treatment. Negligence case compensation awards have grown so high that it creates additional financial burdens for healthcare providers. Courts maintained strict legal criteria for negligence diagnoses to defend patient rights but they still require thorough proof when assessing medical care standards. Healthcare practitioners maintain concerns about baseless legal actions because the CPA 2019 maintains medical negligence under the category of "deficiency in service" to protect consumer rights.

Ethical Considerations

Medical services categorized under the Consumer Protection Act create ethical complications regarding physician-patient relations and medical ethical standards as well as healthcare systemic professionalism. As a healthcare sector service industry follows fiduciary principles meaning doctors need to place patient welfare before financial gain. Medical professionals believe that consumer treatment of patients creates an environment which encourages business

⁶ *Balram Prasad v. Kunal Saha*, (2013) 1 S.C.C. 384 (India).

⁷ *Nizam Inst. of Med. Scis. v. Prasanth S. Dhananka*, (2009) 6 S.C.C. 1 (India).

interests while diminishing trust between doctors and their patients. Supporters of this change maintain that doctors need to maintain their legal responsibility to avoid negligence similar to other professionals do.

The medical ethics principles of beneficence and non-maleficence alongside autonomy and justice create conflicts with the rights consumers seek to exercise. Defense-driven medical practice engenders excessive patient healthcare expenses and medical intervention because doctors conduct unneeded tests to defend lawsuits. Patient abuse of consumer rights leads them to demand unneeded experimental treatments which drives doctors into compliance through concerns about legal consequences. Doctors avoid high-risk medical situations because of current legal practices which might lead them to restrict essential care delivery.

Consumer protection laws protect patients by creating standards against unethical doctor conduct which includes misdiagnosis and price gouging and the prescription of unneeded procedures. The healthcare system requires an equitable solution which upholds both medical freedom of decision and patient rights. Special medical tribunals for medical negligence cases should be established while medical professionals need enhanced protection against baseless complaints through stronger safeguards and alternative dispute resolution (ADR) should be employed more frequently to minimize legal disputes. Judicial oversight together with precise legal policies serves as a solution for handling ethical dilemmas that protects patient safety as well as medical professional integrity.

Policy Recommendations for Reform

The Indian Consumer Protection framework needs changes in medical negligence regulations that will protect patients along with medical service providers. Multiple sources show how medical negligence reform requires essential development based on court patterns and marketplace understanding and foreign industry standards.

Consumer courts currently do not receive expert assessments before admitting medical negligence claims. The system needs medical review boards to perform necessary case evaluations before court proceedings begin along with large hospitals establishing dispute resolution structures for their patients and courts making mediation and arbitration compulsory for all cases before litigation begins.

Sets of standard criteria for medical negligence need to exist because they enable separation between normal medical risks and actual doctor misconduct. India requires the development of a modified Bolam Test framework matching its medical setting together with a standardized system that establishes distinctions between minor mistakes and severe negligence and uncontrollable medical outcomes. Consumer forums must create medical expert panels which will help judges make decisions in their cases.

A no-fault compensation system gives money to patients for healthcare expenses without needing proof of medical errors thus preventing pointless doctor lawsuits. The proposed system receives financial backing from insurance funds and government additions together with payments from hospitals to guarantee rightful medical compensation.

Medical professionals who perform emergency aid must remain exempt from liability unless they show extreme negligence and hospitals should receive penalties for filing unfounded complaints. Placing moderate limits on non-economic damage awards like those practiced in modern healthcare systems would discourage unwarranted litigations.

The consumer forum needs improvement as part of its modernization goals. Medical negligence judges should get specific training about medical law while court processes need firm time requirements to stop prolonged procedures that disrupt doctors and patients similarly.

The complete reform of medical negligence laws through consumer protection needs structural developments combined with judicial training about medical laws while having a fair compensation system. The implementation of these measures in India can establish a fair legal structure which protects patients and medical professionals from abuse of medical accountability systems yet avoids unnecessary legal burdens.

Conclusion

This paper presents an analysis of the multifaceted relationship connecting medical practice in India with consumer protection laws. Medical services received statutory status under the Consumer Protection Act 2019 through legal rulings such as *Indian Medical Association v. V.P. Shantha* (1995) creating new boundaries for healthcare providers and patients. The legal framework that exists to protect consumer rights causes ongoing professional and ethical as well as practical disagreements among practitioners.

Key findings include:

Patients now find it simpler to file medical negligence claims due to the legal development from traditional tort to consumer protection laws.

Judicial Interpretation shows courts support consumer rights through precedents but uses the Bolam Test as well as other tests to guard medical professionals from invalid legal actions.

The industry-driven changes in doctor-patient relationships cause ethical concerns because they may lead health providers to practice defensive medical procedures instead of following proper ethics.

International examples point to the way three elements including mediation programs before litigation starts and dedicated medical boards and no-fault compensation systems would support the harmonization of patient and healthcare provider interests in India.

Effective policy reforms must include three main measures to strengthen medical review panels, update negligence guidelines and improve consumer forums capabilities for achieving healthcare equity.

Medical patients receive vital protection through the Consumer Protection Act but major reform efforts should address the exclusive medical field requirements. Healthcare development in India will benefit from a structured system that stops unmerited claims but still maintains clinical excellence standards. Medical legislation should include relevant judicial decisions together with international health practice standards to protect healthcare practitioners and secure patient rights.