

The complaint

Mr B is unhappy that Legal and General Assurance Society Limited stopped paying benefits following his successful claim on his employer's group income protection policy.

What happened

Mr B is a member of his employer's group income protection scheme. In March 2021 Legal and General said that they were reducing the benefit. There were a number of medical reports prepared in relation to Mr B's health. Ultimately, Mr B's employer was notified that the payments would be reduced.

Mr B complained to the Financial Ombudsman Service. Our investigator looked into what happened and didn't uphold the complaint. He thought that Legal and General had fairly relied on the available evidence when reducing the benefit. He also noted that Mr B had chosen not to attend an appointment for further tests about his functionality.

Mr B didn't agree and asked an ombudsman to review his complaint. In summary he said that the medical evidence supported that he was unable to work and that Legal and General hadn't provided enough evidence to demonstrate that the policy definition of incapacity was no longer met.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

At the outset I acknowledge that I've summarised this complaint in far less detail than Mr B has, and in my own words. I won't respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here.

The rules that govern our service allow me to do this as we are an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I haven't. I'm satisfied I don't need to comment on every individual point to be able to fulfil my statutory remit.

The relevant rules and industry guidelines say that Legal and General should handle claims promptly and fairly. And they shouldn't reject a claim unreasonably.

Legal and General accepted that there was a valid claim so they need to demonstrate, on the balance of probabilities, that their decision to reduce the benefit was reasonable. The key issue is whether it was reasonable to conclude that Mr B could carry out any suitable occupation.

Suited occupation is defined in the policy terms as when:

“The insured member is incapacitated by an illness or injury so that he is unable to

undertake any occupation appropriate to his experience, training or education.

For the purposes of this definition an occupation will not be considered to be inappropriate to an insured member's experience, training or education on the grounds that:

- (i) the pay from such occupation may be lower than that paid to the insured member prior to the deferred period in relation to his own job or lower than the amount of member's benefit, or
- (ii) such occupation lacks the status or seniority associated with the insured member's own job.

For this definition "own job" means the essential duties required of the insured member in his occupation immediately before the start of the deferred period."

I'm not upholding this complaint because:

- The available evidence persuades me that Legal and General reasonably concluded Mr B could carry out any suited occupation when they initially decided to reduce the benefit. This included evidence from a consultant psychiatrist, a consultant neuropsychologist, a transferrable skills analysis report and Legal and General's Chief Medical Officer. I think Legal and General's decision was reasonably supported by the available medical evidence.
- Mr B provided further medical evidence from a consultant in support of his position and an addendum report was also prepared by one of the original specialists. I'm satisfied that Legal and General fairly considered this evidence. As there were differing views I think it was reasonable for Legal and General to seek a further report in relation to Mr B's functionality.
- I don't agree that Legal and General failed to show curiosity or failed to obtain further comment from one of the consultants who had prepared a report. I think they were reasonably entitled to rely on the contents. I wouldn't have expected Legal and General to seek clarification from the consultant given that he'd provided an opinion on the key issues. I appreciate that the addendum provided further clarification but that wasn't something that, in my view, was in Legal and General's sphere of influence.
- I've thought about whether it would have been reasonable for Legal and General to reinstate the claim until other evidence was available. I don't think that would be fair and reasonable in all the circumstances. I think Legal and General made a reasonable decision to obtain further evidence. But I don't think at that point they were at fault for not reinstating the claim, bearing in mind the overall information available in the medical evidence.
- Mr B has commented on the Transferrable Skills analysis carried out by Legal and General which he states hadn't been disclosed to him. However, this was just one aspect of the available medical evidence. So, Mr B's comments about this haven't changed my thoughts about the overall outcome of this complaint.
- I don't think it was unreasonable for Legal and General to ask Mr B to attend an appointment in the UK for further tests. I understand that Mr B has concerns about the nature of the tests but I don't think he's given a compelling reason why he couldn't have taken part in them. I don't think it was an unreasonable request by

Legal and General as I think it would have added further insight into Mr B's functionality.

- In the circumstances of this case I don't think it's reasonable to direct Legal and General to cover the cost of instructing an expert in the country where Mr B is now residing. If Mr B wishes to engage with the tests now he should get in contact with Legal and General directly.

My final decision

I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 19 June 2024.

Anna Wilshaw
Ombudsman