

The complaint

Mr R complains that AXA PPP Healthcare Limited hasn't settled his private medical insurance claim in full.

What happened

Mr R holds private medical insurance cover with AXA. He needed an operation and contacted AXA. He was given authorisation for the treatment, and AXA sent him a list of consultants and hospitals that were fully covered. He chose one of those consultants (Mr O). He had the initial consultation with Mr O at a hospital covered by AXA, but then had the operation at a different hospital which wasn't included under his policy.

AXA told Mr R that because he'd had the operation in a hospital that wasn't covered, he needed to pay 40% of the costs. Unhappy with this, Mr R brought a complaint to the Financial Ombudsman Service.

Our investigator didn't recommend the complaint be upheld. He thought AXA had made it clear to Mr R that not all hospitals would be covered. He concluded AXA had dealt with the claim reasonably.

Mr R didn't accept our investigator's conclusions and so the matter has been passed to me for a decision.

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.

Mr R's policy explains that AXA will cover hospital fees in full, so long as a specialist is overseeing the treatment and the treatment takes place at a hospital or day-patient unit in the hospital list. The policy also explains that if treatment takes place in a facility not in the hospital list, AXA will pay 60% of the charges and the insured will be responsible for paying the remainder.

Mr R says Mr O recommended that the operation take place at another hospital, and that he didn't think to question this, as Mr O is AXA's representative.

I've listened to the authorisation call. AXA confirmed it would send Mr R a list of specialists and facilities that were fully covered under the policy. AXA then made it clear that not all facilities were covered under his policy, and that if there were any changes and he didn't want to go to those facilities, this may result in AXA only covering 60% of the cost. Mr R wanted clarification on this, and AXA confirmed if he chose to go somewhere that wasn't on the list it was sending him, he should check with AXA to make sure it was covered.

As Mr R's treatment took place at a hospital that wasn't on the hospital list, that means that AXA dealt with the claim in line with the policy terms when it paid 60% of the charges. Mr O isn't a representative of AXA, and I'm satisfied AXA made it clear to Mr R that not all hospitals were covered, and that if he went elsewhere, he should check with AXA first. I therefore don't require AXA to pay the remaining 40% charges.

I understand AXA covers the hospital where Mr R had the treatment under some of its other policies, However, the crucial point here is that it didn't do so under Mr R's policy. AXA has confirmed the policy was priced to take into account that Mr R has access to a reduced list of hospitals.

Mr R says he's previously had procedures covered by AXA, and different consultants recommended on every occasion to move his surgery away from the fully covered hospital to a different hospital. He says he declined these requests as the different hospitals were less convenient for him. He wants me to consider this as he thinks it's very relevant here.

I don't know why those consultants recommended that Mr R have his treatment elsewhere. I also don't know if those hospitals were on Mr R's hospital list. If they were then AXA would have been required to cover the full cost. If not, then presumably AXA would have only paid 60% of the costs. Again, those consultants weren't AXA's representatives, and so AXA would have no control over the consultants asking Mr R if he would be willing to have treatment elsewhere.

Mr R is unhappy that Mr O didn't tell him to discuss the matter further with AXA when he asked if he should so. I would suggest he raises his concerns about this directly with Mr O. I understand Mr R has contacted Mr O for a copy of his communications with AXA to see what he was told. Though as I've explained, I'm satisfied that AXA told Mr R directly that not all hospitals were covered and that he should contact it if he went elsewhere for his treatment.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 4 April 2024.

Chantelle Hurn-Ryan
Ombudsman