

The complaint

Mr L complains about how AXA PPP Healthcare Limited dealt with his private medical insurance claim and about the amount of policy premium it refunded when he cancelled the policy.

What happened

Mr L had private medical insurance with AXA PPP for many years. The relevant policy started on 10 December 2022 and was due to renew on 10 December 2023. Mr L paid the premiums annually.

On 26 September 2023 Mr L called to ask AXA PPP to cover him for having tests and procedures in relation to a cyst and urinary problems. He wanted to claim as the current waiting time with the NHS was two months which was too long. AXA PPP told Mr L the medical and other documents he needed to provide for it to assess whether it could cover his claim. AXA PPP emailed Mr L a consent form with details of how to complete and Mr L sent in the documents the same day.

On 27 September 2023 AXA PPP told Mr L the policy didn't cover treatment for the cyst as the medical evidence he'd provided showed treatment for the cyst wasn't medically necessary. It said there may be some cover in relation to his urinary problems but it still required Mr L to provide a fully completed consent form so it could get any necessary additional information to assess the claim for that issue. There was further communication between Mr L and AXA PPP from then through to October 2023 the result being that Mr L didn't continue the claim and cancelled his policy.

Mr L complained to AXA PPP that it gave him poor service when he was trying to make the claim and that it hadn't paid him the correct refund when he cancelled his policy. In summary, he says AXA rejected three of the consent forms he submitted as he hadn't put in the claim reference and there were faults with his password when he tried to access AXA PPP's system to pick up messages. Also, due to AXA PPP's delays, poor service and lack of support when he was suffering very badly with his urinary problems he cancelled his policy.

AXA PPP didn't accept it was responsible for the delays in Mr L accessing treatment or that it had given poor service but it paid Mr L £100 compensation as a 'goodwill gesture' for the problems he had with the consent form. Mr L says he accepted that amount only for the problems with the consent form and with his password. AXA PPP paid Mr L another £25 compensation when, after he'd cancelled his policy, it accepted that he'd wrongly received notification there was a message on its on-line system when no message had been sent.

After Mr L cancelled his policy AXA PPP refunded two months of the policy premiums.

Mr L complained to us saying that AXA PPP's compensation payment for its overall service was 'an insult'. He says he wants:

- Compensation for his 'pain and suffering' while AXA PPP did nothing to help him with

his claim and for his continued suffering as he may have a lifelong condition.

- Another month's premium refunded. He says he told AXA PPP in early September 2023 that if it didn't help him get the private treatment he needed he would cancel his policy and did so in September 2023.

Our Investigator considered that AXA PPP had acted fairly and reasonably in relation to Mr L's claim, paying £125 in total as compensation for Mr L's distress and inconvenience due to its service issues and in refunding two months of premiums.

Mr L disagrees and wants an Ombudsman's decision. He said he wanted to see the evidence AXA PPP provided to show it had helped him as he'd seen nothing to that effect and he didn't see any messages on AXA PPP's on-line system, as it gave him wrong information about his password, or emails it sent to him.

Our Investigator explained he'd listened to the call recordings between Mr L and AXA PPP as Mr L had said he'd been unable to access any written communication from AXA PPP. And Mr L had the policy terms and medical evidence so he had the evidence relied on.

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.

I've considered all the points Mr L has made but I won't address all his points in my findings. I'll focus on the reasons why I've made my decision and the key points which I think are relevant to the outcome of this complaint.

Our Investigator correctly explained that Mr L had access to the policy document and medical evidence. Although Mr L says that he wasn't able to see any written communication from AXA PPP I can see that he was able to respond to, and quote from, at least some of its written communication. So I'm satisfied that Mr L has access to the written evidence that I've relied on in making my decision. I don't think Mr L has recordings of the calls between him and AXA PPP, but the call contents give what both parties said at the time, which is what's relevant in these circumstances.

The relevant regulator's rules say that insurers must handle claims promptly and fairly and they mustn't turn down claims unreasonably. I'm sorry to disappoint Mr L as he strongly believes AXA PPP let him down in not quickly paying for private treatment when he was in a lot of pain. But I think AXA PPP acted fairly and reasonably and it doesn't need to do anything further. I'll explain why.

Claim handling

Mr L says AXA didn't honour its promises made to him in its literature to help him with cover when he made his claim. I'm satisfied that the policy document is clear that the terms and conditions of the policy set out the contract of insurance between AXA PPP and Mr L and show the cover AXA PPP will provide under that policy.

I understand that Mr L now says he didn't require hospital treatment for the cyst. For the avoidance of doubt, as Mr L mentioned the condition when he first called AXA PPP to make the claim, I've considered whether AXA PPP reasonably told Mr L that treatment for his cyst wasn't covered by the policy.

The policy says:

'Like most health insurers, we only cover treatment that is medically necessary. We do not cover treatment that is not medically necessary...'

Mr L sent AXA PPP a hospital letter dated 22 June 2023 to support his claim which said Mr L had a *'simple (renal) cyst requiring no further follow-up'*.

As the medical evidence was that no treatment for the cyst was medically necessary, I'm satisfied AXA PPP acted within the policy terms and conditions and reasonably in declining to cover any treatment in relation to the cyst.

Mr L also sent AXA PPP an undated letter from his consultant urological surgeon to support his claim which said

'Plan:

I think that it is important to review (Mr L) in our clinic face-to-face to perform a flow rate if possible and also look at his bladder emptying. It may be that he requires HoLEP plus minus cystolitholopaxy at the same time.

I have warned him that there may be a significant wait for this appointment'

Mr L's policy didn't cover him for out-patient consultations or diagnostic tests. Mr L told AXA PPP that he wanted to be admitted to hospital for the tests so that he didn't have to go home with any issues. AXA PPP reasonably wanted more medical information about those procedures to see if the consultant considered that it was medically necessary for Mr L to have them as an in-patient.

AXA PPP reasonably required Mr L's consent form to be able to get any additional medical information, as set out in the policy terms. Mr L had problems accessing and fully completing the consent form. He's suggested in correspondence that AXA PPP didn't give him the claim number to put on the consent form but I can see AXA PPP did provide Mr L with the claim number in messages that he was able to access.

I haven't seen or heard any evidence that AXA PPP gave him wrong information about his password to access its system although it's clear from what Mr L told AXA PPP in a 27 September call that he was having problems accessing messages. I think it would have been reasonable for AXA PPP to have offered Mr L an alternative way to complete the consent form, such as sending it by post, or by inserting the claim number in the claim form itself as it ultimately did on 5/6 October 2023, although it told Mr L that wasn't its usual procedure. I think AXA PPP should have taken that action sooner and Mr L had several days of trying to access and fully complete the consent forms AXA PPP sent him which was very frustrating for him particularly as he was feeling unwell. AXA PPP has already paid Mr L £100 for the problems he had in relation to the consent form, which Mr L accepted, and I think was a reasonable amount to acknowledge his distress and inconvenience.

Mr L also wants AXA PPP to pay him compensation for his pain and suffering as he says it did nothing to help him with his claim, but I've no basis on which I could reasonably award such compensation. Mr L says he was in a lot of pain with his urinary problems at the time but the issue is whether or not AXA PPP was responsible for a delay which meant he couldn't get private treatment sooner.

When AXA PPP spoke to the consultant's secretary to request the further information it needed to assess if the proposed tests would be covered under the policy the secretary said as Mr L hadn't seen the consultant privately they couldn't provide any further information. So even if AXA PPP had completed the consent form for Mr L, and spoken to the consultant's

secretary, sooner than it did AXA PPP would still have been in the position of not having the necessary medical information to confirm if Mr L would be covered for the tests and possible treatment proposed.

I've seen Mr L's recent letter enclosing a letter from the hospital dated 4 March 2024 which Mr L says was from when he had to attend A&E as he was in 'extreme pain' due to his urinary problems. The follow-up plan detailed in that hospital letter is for Mr L to attend the emergency department for renal function tests and catheter insertion and attend a clinic appointment to discuss surgery. I'm sorry Mr L was in great pain but that medical evidence doesn't show AXA PPP should have covered the proposed tests and treatment when he claimed in September 2023 for the reasons I've given above. And it's fair for me to say that even if Mr L hadn't cancelled his policy as there's no medical evidence in the 4 March 2024 hospital letter that Mr L would need to be an in-patient for those tests and consultation there would have been no cover under the policy for those to be done privately.

When in October 2023 AXA PPP told Mr L about its call with the consultant's secretary Mr L said he didn't want to hear from AXA PPP again. So I think AXA PPP reasonably understood that it wasn't in a position to do anything further to obtain the necessary medical information it needed to assess the claim.

The additional £25 compensation AXA PPP paid Mr L wasn't to acknowledge his pain and suffering. It was in relation to AXA PPP's acceptance of Mr L's complaint on 28 October 2023 that he'd wrongly received notifications that AXA PPP had sent him messages when there were no messages on his member on-line account. Given the timing of that complaint from Mr L, I understand his concern related to notifications he received after he'd cancelled the policy. But even if not, the notifications sent in error wouldn't affect the reasons for the outcome of my decision.

Overall, I think the £125 compensation AXA PPP has already paid Mr L for his distress and inconvenience is a reasonable amount for the service issues detailed above. Otherwise I think AXA PPP reasonably dealt with Mr L's claim. There's no basis for me to award Mr L any more compensation.

Policy premiums

The policy says:

'Cancelling your membership outside of the cooling-off period

...

If you pay yearly you can cancel your plan and receive a pro-rata refund based on whole months remaining in the year. We will deduct an administration fee of £20 and the costs of any claims for that year'.

AXA PPP's letter to Mr L dated 27 November 2023, which he responded to, said Mr L first contacted it to cancel his policy on 5 October 2023 which was actioned with effect from 10 October 2023. On that basis, as the refund is based on whole months remaining in the policy year, AXA PPP's refund of two months premiums - from 10 October 2023 to the policy end date of 10 December 2023 - is correct under the policy terms.

Mr L says AXA PPP should refund another month's premium. But for that to happen Mr L needs to show that he told AXA PPP he wanted to cancel the policy before 10 September 2023. All the evidence, including the timeline of events Mr L prepared, shows he first contacted AXA PPP about the claim on 26 September 2023 and Mr L says he cancelled the policy due to AXA PPP's service when he made that claim.

I've seen no evidence to support Mr L's suggestion that he told AXA PPP to cancel his policy before 10 September 2023 and I don't think he did so because at that time he hadn't yet contacted AXA PPP about the claim that resulted in him in cancelling his policy.

Mr L did say to AXA PPP in calls in late September 2023 and 4 October 2023 that he would be leaving if it didn't help him and cover his claim. But even if I thought that Mr L's comments then were a strong enough instruction from him to AXA PPP to cancel his policy his comments weren't before 10 September 2023.

I'm satisfied that Mr L didn't instruct AXA PPP to cancel his policy before 10 September 2023 so AXA PPP's refund of two months premiums from 10 October 2023 to 10 December 2023 was correct under the terms of the policy. There's no basis for me to say AXA PPP should fairly and reasonably refund Mr L another month's premium.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 5 June 2024.

Nicola Sisk
Ombudsman