

The complaint

Mrs T is unhappy with the service she received when Tuto Money Limited sold her a life insurance policy, and life and critical illness policy.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. I'll focus on giving the reasons for my 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.

Tuto should treat customers fairly.

Whilst I can understand Mrs T's disappointment, I don't think it would be fair and reasonable to hold Tuto responsible for her providing incorrect answers when applying for the policies she ended up with - which led to her claim for critical illness being ultimately declined by the insurer when she made a claim under the life and critical illness policy. And, also, subsequently having critical illness cover removed and her life insurance cover under both policies reduced by the insurer. I'll explain why.

The insurer took the decision it did as it concluded Mrs T hadn't accurately declared medical issues when taking out the policies including:

- Being referred to neurology in 2015 (and undergoing an MRI scan) having experienced symptoms of **weakness in her right arm and leg**, together with an episode of slurred speech and **right eye pain with blurred vision**. The neurologist said the results of the MRI may raise the possibility of central nervous system inflammation [**my emphasis**].
- Being referred to neurology in 2019 (around two years before applying for the policies) after reporting symptoms of dizziness and **visual disturbance**. A further MRI scan showed new lesions in Mrs T's brain. The insurer said the medical evidence reflects that the consultant advised Mrs T may have symptoms of Multiple Sclerosis, but a lumbar puncture would need to be carried out to confirm a diagnosis. Mrs T chose not to have that at the time [**my emphasis**].
- A consultation with the GP in August 2021 – around four months after applying for both policies – reflected that Mrs T had **blurred vision** and **tingling in her toes**, present for around six months [**my emphasis**].

The insurer said had Mrs T accurately disclosed these medical issues when applying for the policies, it wouldn't have offered critical illness cover and life cover would've been more expensive.

I'm satisfied from listening to a call recording between Mrs T and Tuto's representative that when applying for the policies Mrs T was asked a number of questions about her health and medical history including:

In the last 5 years have you had...stress....?

Mrs T confirmed that she had experienced stress around four years ago and answered follow up questions about this.

She was also asked whether in the last 5 years she'd had:

...back pain...numbness, pins and needles, muscle weakness, tremor or difficulty with co-ordination.

Mrs T said she had back pain and answered follow up questions about this but answered no to the other conditions.

She was also asked whether in the last 5 years she'd had:

...tinnitus, labyrinthitis, or anything else affecting your ears, hearing or balance, impaired blurred or double vision, optic neuritis or anything else affecting your eyes...

Mrs T answered 'no'.

She was also asked:

In the last 3 years have you...been advised to see a specialist or have any tests, scans, investigations or counselling?

Mrs T didn't disclose that she'd been referred to neurology again in 2019 and had an MRI scan.

I'm satisfied that Tuto's representative accurately recorded Mrs T's answers when applying for the policies. I think it's fair and reasonable for Tuto to assume that Mrs T had answered the questions she was asked accurately and with reasonable care. I don't think it would be fair and reasonable to hold Tuto responsible for Mrs T not answering the questions accurately above based on the medical evidence the insurer obtained after Mrs T made a claim for critical illness.

When making this finding, I've taken into account that Mrs T was also asked whether in the last 5 years she'd had a stroke or TIA.

When answering this question, Mrs T did describe a 'stroke-like thing' around four years before. She said she'd seen a neurologist and had an MRI scan but no concerns were raised. She was advised it was most probably due to the stress she was experiencing at the time. She said she was discharged, had no follow ups and was told there was nothing to worry about. Given what Mrs T says, and the question that was asked about stroke and TIAs, I think this answer was correctly recorded as 'no' by Tuto.

I've also taken into account that a representative of Tuto did contact the insurer to ask how the MRI scan mentioned during the call should be disclosed given that Mrs T had said she'd been told that the 'stroke like thing' she'd experienced was most likely due to stress. They were told to capture the information on the application, but I'm satisfied that none of the follow up questions allowed for that information to be added under the stress question.

Tuto's representative was also asked to send a covering email to the insurer to explain why the MRI was done and if stress related, and not due to any other neurological condition, it shouldn't affect the application.

Tuto has confirmed this email wasn't sent. Mrs T says this is important because if this email had been sent and the insurer was formally aware of the MRI scan that Mrs T had mentioned during the application process, critical illness cover wouldn't have been offered at the time and life cover would've been more expensive. So, she would've ended up keeping the life insurance policy she had in place at the time, rather than cancelling it to take out the two policies.

However, given the information which Mrs T told Tuto about the episode that happened around four years before the policies were applied for, and taking into account that the insurer told Tuto that if stress related it shouldn't impact the application, I don't think sending this email would've resulted in the insurer deciding not to offer critical illness at the time – or the life cover for a higher price.

Although it's possible that the insurer would've looked into the reasons for the MRI and may have requested medical evidence which would've revealed further details about the reasons for the MRI at the time – and possibly revealed the subsequent MRI which took place in 2019 – I've seen nothing which persuades me that this is likely to have happened on the balance of probabilities. I think it's more likely than not that the insurer would've accepted what Mrs T had told Tuto when applying for the policies; that the neurologist concluded that this episode was caused by the stress she was experiencing at the time.

Tuto advised Mrs T to take out both policies, so it had an obligation to ensure that it was suitable for her needs and that she was given clear, fair and not misleading about the main terms of the policy. Having listened to the sales call and considered the documentation completed around the time, including the demands and needs statement, based on the information provided by Mrs T, I don't think either policy was unsuitable for her. I think she had a need for the policies. Further, she was given clear, fair and not misleading information about the main features of both policies, including the cost, benefit and term of both policies. And this didn't put her off taking out either policy.

My final decision

I don't uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 2 October 2024.

David Curtis-Johnson
Ombudsman