

The complaint

Mr S complains that AXA PPP Healthcare Limited declined to pay for further treatment under a private health insurance policy as it said his condition was now chronic.

What happened

Mr S has held private health insurance cover through a group plan since 1 August 2022. The insurer is AXA.

Mr S got in touch with AXA in June 2024 about further treatment, but it said it would apply a term on the policy as it considered the condition to now be chronic. Unhappy with AXA's decision, Mr S sent reports from his consultant and asked it to reconsider its position.

AXA reviewed the reports but said this didn't change its position. AXA said the treatment plan was for ongoing pain management, rather than addressing any underlying condition. It also said the plan did not provide any provisional discharge rate. So, AXA maintained that Mr S' condition met the policy definition of chronic.

One of our investigators looked into what had happened. Having done so, she didn't think AXA had acted unfairly or unreasonably when it considered Mr S' condition to meet the policy definition of chronic. She also thought AXA gave Mr S reasonable notice before applying the term on his policy. So, our investigator didn't uphold the complaint.

Mr S didn't agree with our investigator's findings. He's particularly unhappy that AXA first made the decision that his condition was chronic without information from the consultant who was treating him. And the consultant has said his condition can be treated and may become chronic if left untreated.

As no agreement was reached, the complaint has been passed to me to decide.

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.

Industry rules set out by the regulator (the Financial Conduct Authority) say insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules, and other industry guidance, into account when deciding what I think is fair and reasonable in the circumstances of Mr S' complaint.

Mr S got in touch with AXA in June 2024 to authorise further treatment. But AXA said it will stop providing cover for Mr S' condition as it now considered it to be a long-term condition, which was excluded under the policy terms. AXA gave Mr S three months' notice as it said it would apply this term on the policy from 30 September 2024 onwards. AXA confirmed this in writing on 2 July 2024.

The term said that after 30 September 2024, AXA will be unable to pay for the treatment (including pain management/pain relief procedures) for upper and lower spinal condition and associated symptoms. It would only consider definitive surgery.

AXA based its decision on Mr S' claims history. It said Mr S had had treatment for this condition since August 2022. At the time this included a total of 67 physical therapy sessions (physio and chiropractic), several injections between September 2022 and October 2023, scans and 14 specialist consultations. AXA also reviewed information from August 2022 where it was described that Mr S had had a long-standing back issue going back five to six years.

The policy Mr S holds covers treatment for acute conditions. These are defined in the terms as follows:

"An acute condition is a disease, illness or injury that is likely to respond quickly to treatment that aims to return you to the state of health you were in immediately before suffering the disease, illness or injury, or that leads to your full recovery."

The policy doesn't cover treatment for conditions that last a long time or come back. A chronic condition is defined as follows:

"A chronic condition is a disease, illness or injury that has one or more of the following characteristics:

- It needs ongoing or long-term monitoring through consultations, examinations, check-ups or tests.*
- It needs ongoing or long-term control or relief of symptoms.*
- It requires your rehabilitation, or for you to be specially trained to cope with it.*
- It continues indefinitely.*
- It has no known cure.*
- It comes back or is likely to come back."*

The terms explain that AXA will not cover *"any treatment that only offers temporary relief of your symptoms, rather than dealing with the underlying condition"*.

AXA first said Mr S' condition meets the first two criteria above, considering his treatment history. Having considered the information AXA had about Mr S' treatment history, and the policy terms, I don't think it acted unfairly or unreasonably when it considered the condition chronic. When Mr S' claim with AXA started, he already noted it was a long-standing issue going back several years. And AXA paid for a significant number of treatments for two years, including consultations, injections, physical therapy and scans.

I can see that AXA wasn't at first clear about whether it would review its position if Mr S sent further evidence, and if it would contact the consultant directly. But AXA apologised for the confusion, and it did review the information Mr S sent. I accept AXA told Mr S it was unlikely its position would change. But I don't think this means AXA ignored the evidence Mr S sent. It was simply trying to manage his expectations based on the information it already had.

Mr S sent further reports from a pain management consultant, and AXA reviewed these. However, it said its position hadn't changed. This was because the treatment plan was pain management, and there was no end date for treatment. So, it said it still considered Mr S' condition to be chronic.

Having reviewed the reports, I think AXA acted fairly and reasonably when it maintained its position, for the reasons it did. The treatment plan includes manipulation (by a chiropractor), potential injections and medication. No end date for treatment is proposed.

I appreciate Mr S says both his consultant and chiropractor have said his condition is treatable. And the consultant says in his report that there's a risk of the condition becoming chronic if not treated or allowed to relapse. However, what's key is the policy definition for a chronic condition. And for the reasons I've explained, I think AXA acted fairly and reasonably when it considered Mr S' condition to be chronic as per the policy terms, for the reasons it did.

I'm sorry to disappoint Mr S, but I don't think there's anything AXA needs to do, to put things right. I think it acted in line with the terms and conditions of the policy, and fairly and reasonably, when it considered Mr S' condition to be chronic. I also think AXA gave him reasonable notice before applying the term on his policy.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 2 April 2025.

Renja Anderson
Ombudsman