

## **The complaint**

Mrs A and Mr A complain that AXA PPP Healthcare Limited unfairly declined a private medical insurance claim.

## **What happened**

Mrs A and Mr A have access to a group private medical insurance policy. They claimed on it when they wanted their son (who was also covered under the policy) to undergo testing for suspected Hypogonadism – a condition where the body doesn't produce sufficient testosterone. I'll call their son "X".

AXA authorised the claim and X underwent some tests. But when AXA was told X would need a Luteinising Hormone Releasing Hormone (LHRH) test, it requested further information and subsequently declined the claim.

Mrs A and Mr A went ahead with the LHRH test, but complained about the way AXA had dealt with matters.

AXA apologised and said it had authorised the claim in error. It said treatment for X's symptoms and/or condition wasn't covered, but it would honour any treatment that X had undergone up until the point of its correct decline. When preparing its file for this service, AXA offered £250 in compensation too.

Our investigator thought AXA had declined the claim correctly. They agreed it should have done so sooner, but while they acknowledged that delay had an impact on Mrs A and Mr A, they thought AXA's offer was fair.

Mrs A and Mr A said £250 was insufficient. They reiterated their original concerns and said they did not care much for the policy wording given AXA's failings.

## **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.

Although I have considered all submissions, I will only focus on those matters I consider central to the outcome of this complaint.

AXA has a responsibility to consider claims both promptly and fairly, and to not reject them unreasonably. It's declined this claim on the grounds that it relates to delayed puberty, and having looked at the relevant policy terms and the available medical evidence I don't think that was unreasonable.

Without reciting everything, I note a GP referral letter which asks for X to be seen for suspected hypogonadism. The letter refers to X as having slightly low testosterone, as well as experiencing delayed/stopped secondary characteristics with delayed/stopped physical features and body hair.

I also note a clinic letter which says X was experiencing delayed puberty. It sets out a family history of hypogonadism and says that following investigations, there would likely be a diagnosis of constitutional delay of growth in puberty. The letter also details that X has been:

*“...growing slowly over the last few years and had not shown signs of pubertal progression.”*

Turning then to the relevant policy terms, section 4.18 of the membership handbook says:

*“4.18 > Learning and developmental disorders*

*We do not cover any **treatment**, investigations, assessment or grading to do with:*

- ...
- *physical development...*”

Section 4.22 of the handbook also says:

*“4.22 > Natural ageing*

*We do not pay for **treatment** of symptoms generally associated with the natural process of ageing. This includes **treatment** for the symptoms of puberty and menopause including symptoms as a result of medical intervention.”*

So given the symptoms and suspected condition described above, I don't think it was unreasonable of AXA to conclude that the claim being made related to delayed puberty and therefore was not covered under the group policy.

Mrs A and Mr A have set out their position at length and I am aware that they feel very strongly about AXA relying on terms which refer to treatment. They say X didn't actually undergo any treatment; he was simply undergoing tests.

I think it important to highlight section 7 of the handbook which explains the following:

*“Certain terms in this handbook have specific meanings. The terms and their meanings are listed in this glossary.*

*Where we've highlighted these terms in **bold** they have a specific meaning.*

♦ *The terms marked with this symbol have meanings that are agreed by the Association of British Insurers. These meaning are used by most medical insurers.”*

Reading on, section 7 then continues to detail:

*“**diagnostic tests** ♦ – investigations, such as x-rays or blood tests, to find or to help to find the cause of your symptoms.*

***treatment** ♦ – surgical or medical services (including **diagnostic tests**) that are needed to diagnose, relieve or cure a disease, illness or injury.”*

So although I appreciate Mrs A and Mr A's position, I still don't think it was unreasonable of AXA to decline the claim for the reasons it did.

That being said, I do think AXA should have realised that the claim wasn't covered sooner than it did. And I accept its delay in doing so had an impact.

Mrs A and Mr A were, for example, upset and concerned when they learned the claim wasn't

going to be covered. They were frustrated that they hadn't been told sooner, and they were distressed when they had to decide whether to go ahead with the LHRH test or not. I empathise with that, and I think it was right of AXA to take steps that it did to put things right.

I know Mrs A and Mr A think that AXA should be held responsible for more than the above, and certainly for the cost of the LHRH which I understand was over £3,000, but I'm not persuaded I can fairly agree. At the point Mrs A and Mr A chose to go ahead with the LHRH they were aware that AXA wouldn't be covering it. I fully appreciate the reasons Mrs A and Mr A have given as to why they ultimately chose to go ahead. But I must bear in mind that they did so knowing it wouldn't be covered.

AXA has already explained it will honour the treatment X had undergone up until the point of its declination. And, it has paid the admission costs incurred for X's test too. I think that was the right thing for it to do at the time, and so I will not be interfering with its position on that.

Despite Mrs A and Mr A's concerns about AXA's admitted failings, compensation is not designed to be used as a punitive measure. I have already explained why I will not be directing AXA to pay for the LHRH test, and for the reasons given above I think its most recent offer, of £250, is a fair and proportionate reflection of the impact of its failings had here.

### **Putting things right**

To put things right, and if it has not already done so, AXA should now pay £250 compensation.

### **My final decision**

My final decision is that I uphold this complaint. AXA PPP Healthcare Limited should put things right in the way I have described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A and Mr A to accept or reject my decision before 9 August 2022.

Jade Alexander  
**Ombudsman**