

## **The complaint**

Ms H is unhappy with the way Unum Limited's handled her income protection claim.

Ms H brings her complaint through a third-party representative. But, for simplicity, I'll refer to all submissions as being made by her personally.

## **What happened**

Ms H has an income protection policy with Unum. She became unwell following her late husband's terminal illness. Ms H began suffering with symptoms of depression in March 2020 and was unable to work. She submitted her claim to Unum in August. It was initially declined in October, however, following Ms H's appeal in December, Unum offered to pay a settlement of just over a year's-worth of benefit.

Ms H was unhappy with this because she wasn't sure whether she'd be off work longer than that and so, she rejected the settlement and commissioned her own specialist's report to further support her claim in February 2021. Unum eventually accepted it and agreed to backdate the benefit amount and pay interest on top. Ms H wants Unum to cover the associated costs with obtaining the specialist's report.

Ms H also complained about the way her claim was handled overall and Unum agreed to pay her £200 compensation for the delays. But it refused to cover the costs of the report because it didn't ask for it.

Our investigator said that Unum didn't have to pay for the report and agreed with its reasons for not doing so. But he also said Unum needed to increase the amount of compensation to £500 because he felt the overall trouble and upset caused was more impactful given Ms H's particular circumstances at the time. Unum agreed with his recommendation, but Ms H didn't. In summary, she still believes Unum should pay for the report because it was needed to help prove her claim. And so, it's now for me to make a final 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.

Having done so, I've decided to partially uphold Ms H's complaint by agreeing that the compensation should be increased to £500 for the overall trouble and upset caused by the delays with Unum assessing her claim. But, like our investigator, I disagree with Ms H's assertion that it should pay the cost of the specialist's report. I'll explain why.

Unum's terms about this are clear that it's not something it would provide cover for. They say;

*"We will pay for any medical evidence we request in the UK"*

I've highlighted this term because I think it's relevant to Ms H's complaint. The term is specific in that it'll only cover associated costs if Unum requested the report. I've not seen

any evidence of Unum asking Ms H to do this and so I'm satisfied that Unum doesn't need to pay for the report. Further, I think it important to recognise that Unum, in December, made an offer to settle the claim. I think this satisfactorily shows that it was in agreement that Ms H was incapacitated. I know Ms H declined the offer, but I think it still supported that Unum would've accepted liability on her claim without the report.

I know Ms H's arguments against this are that Unum didn't accept liability until after she submitted the specialist's report, but even if I accepted this, it wouldn't change my position because up until the point Unum accepted her claim, it was for Ms H to successfully demonstrate that she satisfied the incapacity criteria as defined by the policy. And so, any costs associated with doing this, would fall within the scope of Ms H's responsibility. Further, unless requested by Unum, there's no cover provided in the circumstances – as defined within the policy terms.

Unum said the delays in assessing Ms H's claim were down to it being finely balanced, and to be clear, I accept its arguments here because there wasn't a lot of detailed contemporaneous medical evidence for it to reach a clear decision on liability. But I note Unum referred her claim to its in-house specialist – which I thought was the right thing to do as it provided further rationale about Ms H's illness and the symptoms she suffered. I think this further persuades me that there was no need for Unum to commission its own independent medical evaluation, like Ms H did, because it referred to its own specialist for further guidance, which it's entitled to do.

Having said that, I think this process could've happened sooner and I note there were unnecessary delays with the overall handling of this claim. I think our investigator adequately highlighted this and recommended a fair amount of compensation that reflected the trouble and upset caused. And so, I make no further award here for those reasons.

### **My final decision**

I'm partially upholding Ms H's complaint and so Unum Limited must now pay her £500 compensation for the overall trouble and upset caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 11 November 2022.

Scott Slade  
**Ombudsman**