

The complaint

Mrs H has complained that UK Insurance Limited (UKI) hasn't fully paid out on a sickness claim she made against her mortgage payment protection insurance policy.

What happened

Mrs H had made three successful claims for the periods: 22 April – 4 July 2019; 16 September – 29 December 2019; and 27 March – 13 August 2020. The reason for Mrs H being off work during these times was due to anxiety.

Mrs H returned to work in August 2020 but after about a month she became unwell with Covid related symptoms and so made a new claim. UKI accepted the claim with the start date being 24 September 2020.

However, although Mrs H remained off work sick, UKI decided that the last day of the claim should be 10 January 2021. That's because, based on the medical evidence provided, it interpreted the last day of Mrs H's absence from work due to Covid symptoms as being on that date. Because from 11 January 2021 the sick note suggested that the primary cause of Mrs H's incapacity had once again become anxiety.

A previous adjudicator thought that the medical evidence actually showed that the primary cause of illness was still Covid related until 27 April 2021, after which time it did return to anxiety.

UKI re-visited the evidence and agreed to pay the claim until 27 April 2021. It also paid Mrs H £150 compensation for distress and inconvenience because it had provided some contradictory information about the total number of months her previous anxiety claim had paid out for.

Our adjudicator thought that UKI had acted fairly. Mrs H disagrees with the adjudicator's opinion and so the complaint has been passed to me for a decision.

Mrs H thinks the claim should pay out until 22 June 2021, which is when she returned to work. She also thinks that UKI should pay her £500 for trouble and upset.

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.

The issue here isn't how long Mrs H was off sick for, it's *why* she was off sick.

As mentioned above, Mrs H had previously made successful claims for anxiety and the last one of these ended on 13 August 2020.

For accident and sickness cover, the terms of the policy state:

'If You are Off Sick for two periods both resulting from the same cause, that are separated by 3 months or less, the Insurer will treat as one claim, but will not pay any Monthly Benefit for the time in between. Otherwise, if the cause is the same condition and the period of time between the two claims is more than 3 months You will not be able to make a second Accident and Sickness claim until, You have been back at work for 6 continuous months. If, however the cause of You being Off Sick is different from the cause of the initial claim, You will not be able to make a second Accident and Sickness claim until, You have been back at Work for at least 30 consecutive dates between each claim.'

So, as Mrs H's illness from 24 September 2020 was due to a different cause than her previous claim for anxiety, she was able to successfully claim as she had satisfied the need to have been back in work for at least 30 days.

Although UKI initially considered Covid related symptoms as being the primary cause of Mrs H's illness only until 10 January 2021, it ultimately accepted this service's view that it was the primary cause until 27 April 2021 and has therefore offered to paid the claim up to 27 April 2021.

I do need to clear up a misunderstanding about the date that UKI has offered to pay the claim until. There was a typo in some information it sent back to us where it incorrectly said 24 April 2021. Our adjudicator therefore mistakenly repeated the end date of the claim as being 24 April 2021 in his correspondence with Mrs H.

Our adjudicator thought that the primary cause of Mrs H's illness ceased to be Covid-related due to a questionnaire that the GP filled in, where it is stated that from 28 April 2021 her condition was mixed anxiety and depressive disorder. And there was no more significant mention of Covid on her sick notes from that point onwards.

As stated in the terms of the policy above, in order to re-qualify for a further claim for anxiety, Mrs H would have needed to have been back at work for six continuous months from the last claim for anxiety. So, as the last claim for anxiety had ended in August 2020, Mrs H would have had to returned to work continuously until February 2021. But as we know, she had gone off sick again in September 2020 with Covid related illness. I'm therefore satisfied that UKI has correctly interpreted the timescales in the policy.

Mrs H thinks that UKI should look at the anxiety as a separate and unrelated condition to the previous claim as it had been triggered by Covid. She also says that anxiety wasn't the sole cause of her sickness and that there were other elements to her illness that would validate the claim.

However, based on the available evidence, I'm satisfied that the *primary* cause of Mrs H's illness from 28 April 2021 was anxiety. The policy is set up in a way that it will not pay a new claim for a particular condition that has been previously claimed for unless a person had been back at work for six months. The policy doesn't differentiate between the same condition but with different underlying causes. So I think UKI has acted reasonably, in accordance with the policy terms, in offering to pay the claim up until 27 April 2021.

I appreciate that Mrs H has had a difficult time and that dealing with the claim and then the complaint would have been additionally stressful. However, I consider that the £150 already paid by UKI is a proportionate amount for the distress and inconvenience caused.

My final decision

For the reasons set out above, I consider that UK Insurance Limited has acted fairly in agreeing to pay the claim up to 27 April 2021. So, I will not be asking it to do anything more.

However, UK Insurance Limited should now pay the remainder of the claim up until 27 April 2021 if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 13 January 2023.

Carole Clark
Ombudsman