

## **The complaint**

Mr A complains about how ReAssure Limited handled a claim under his life and critical illness policy.

## **What happened**

In September 2021 Mr A broke his arm and made a claim thinking that accidental injury was covered under his policy.

ReAssure turned down the claim saying that accidental injury cover (including broken bones) didn't form part of the policy. They offered Mr A £250 as an apology because for the last few years the policy schedule had incorrectly listed accidental injury as a benefit.

Mr A was unhappy with this so brought his complaint to our service where one of our investigators looked into things. They thought ReAssure had acted fairly by not paying the claim as what happened wasn't covered under the policy. They thought however that ReAssure should do more to put things right and recommended an increase in compensation to £750, which was agreed.

Mr A didn't accept the £750 saying it was an insult, so the complaint has come to me for a 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.

Mr A has provided a lot of information about his complaint and it's clear how strongly he feels about what happened. I want to assure Mr A that I've read and considered everything he's provided even if I don't mention it in detail. I've summarised some things which reflects the informal nature of our service.

This policy was taken out in 2004 with a predecessor business to ReAssure. The policy schedule from the time shows 'Life Cover and Critical Illness'. So at the time it was taken out accidental injury cover didn't form part of the policy. There isn't any paperwork from the time of the sale, other than the policy schedule and cover letter, but it seems that Mr A wasn't looking for accidental injury cover at that time as it wasn't covered under the policy.

ReAssure took over the policy from a predecessor business and continued to send yearly renewal letters to Mr A. 'Accidental Injury' appeared on the policy schedule a few years ago leading Mr A to think he was covered for things like broken bones. ReAssure have said this was an error and shouldn't have appeared; hence why they offered some money in compensation for a loss of expectation. And looking at what happened I think this was a loss of expectation and isn't something that was ever covered under the policy. So I'm satisfied ReAssure fairly turned down the claim.

When investigating the complaint it came to light that Mr A had a separate Accidental

Protection Cover policy which was taken out in 2010 with the same predecessor business of ReAssure. However that policy wasn't taken over by ReAssure from the predecessor business so was held with another product provider; and that policy schedule did include broken bone cover. It seems there might have been some confusion between the policies as that policy schedule was presented when making the complaint about the ReAssure policy.

It turns out that Mr A had cancelled the policy with the other provider so was unable to make a claim. Mr A said this was because he thought he had cover with ReAssure. I can see why he might do this however taking everything into account this isn't something I can fairly and reasonably hold ReAssure responsible for.

When the policy was taken out it didn't cover accidental injury so at that time I think it's fair to say that it wasn't cover Mr A was interested in. This policy only covered life and critical illness which is clear from the schedule at the time. So Mr A should've had no expectation this policy would cover accidental injury and this isn't what the premiums paid for.

Mr A took out the other policy some six-years after taking out this policy, so they are separate events. This policy never covered accidental injury and whilst there is a loss of expectation I think it's clear this was an unintentional error. ReAssure don't offer the type of cover outlined in the other policy schedule so it isn't possible for them to process a claim.

Mr A says he thought accidental injury was covered under this policy however that benefit never formed part of the terms and conditions or benefits, it wasn't in the policy he applied for, and it wasn't what the premiums paid for.

### **Putting things right**

For the inconvenience of what happened ReAssure Limited should pay Mr A £750.

### **My final decision**

ReAssure Limited has offered to pay £750 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that ReAssure Limited should pay Mr A £750.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 20 January 2023.

Warren Wilson

**Ombudsman**