

## **The complaint**

Miss G complains about how BUPA Insurance Limited dealt with a claim against her group private medical insurance policy.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here in full. In summary, Miss G is a beneficiary of a group, private medical insurance policy. In mid-2021, Miss G contacted BUPA about a claim for surgery, which was part cosmetic and part treatment. Miss G's policy covered part of the claim. On 26 July 2021, BUPA said that it would pay consultant's fees of up to £548 and anaesthetist's fees of up to £180 and that Miss G would need to pay anything in excess of those amounts.

Miss G's consultant required payment in advance and collected from Miss G the total fee, including the anaesthetist's fee of £650. On 29 July 2021, Miss G queried what BUPA would pay in relation to the anaesthetist's fees. On 30 July 2021, BUPA told Miss G, in error, that it would cover the anaesthetist's fees in full.

Miss G had the surgery and BUPA paid £180 for the anaesthetist's fee. BUPA subsequently said that it would honour its incorrect comment about paying the anaesthetist's fees in full. But BUPA paid the shortfall of £470 to Miss G's consultant by mistake. I understand the consultant passed on the £470 to Miss G.

BUPA says that it chased Miss G's consultant for return of the anaesthetist's fees of £650, as he had billed for work carried out by another provider. In February 2022, Miss G contacted BUPA as she had become aware, via her consultant, that it was chasing him for repayment. She said that this was having an impact on her ongoing relationship with her consultant and that she was too embarrassed to attend her follow-up consultation with him.

Miss G wants BUPA to cease contact with her consultant and anaesthetist about this matter and compensation for her distress and inconvenience.

One of our investigators looked at what had happened. He said that it was reasonable for BUPA to agree to pay the anaesthetist's fee in full and that it made an error when it paid £470 to Miss G's consultant, rather than to Miss G. The investigator said that BUPA wasn't at fault in contacting Miss G's consultant, but it could have considered the impact on Miss G of doing so and explained the matter to her. He noted that in BUPA's final response to Miss G it told her that it had contacted the consultant and would be passing the matter on to its investigations team but that didn't give Miss G sufficient information, so she wasn't prepared for the consultant involving her in the process or seeking reimbursement from her directly.

The investigator said that BUPA wasn't responsible for the actions of Miss G's consultant and wasn't solely responsible for Miss G's distress and inconvenience. He said that BUPA could have handled the situation better than it did. He recommended that BUPA

pay Miss G compensation of £200 for her distress and inconvenience arising from its actions.

BUPA accepted the investigator's recommendation, but Miss G didn't. She said:

- BUPA caused the issue with her consultant by paying the shortfall of £470 to him, rather than directly to her. Her consultant considered that was the amount BUPA paid to resolve her complaint, so was concerned that he was paying for her complaint resolution.
- BUPA assured her that everything was in order, which she passed on to her consultant. When BUPA investigated her consultant she felt responsible for that.
- This damaged her relationship with her consultant, caused her much distress and caused her to miss her post-operative appointments. BUPA put her in the middle of its dispute with her surgeon by paying the £470 to him and then directing him to transfer the money to her. BUPA didn't apologise for its mistake in paying her consultant money that was due to her.
- If BUPA had paid the £470 directly to her, she doubts that she would have been involved in administrative and process investigations.
- BUPA handled her queries poorly.
- Compensation of £200 isn't sufficient for her distress and inconvenience caused by BUPA's errors.

The investigator considered what Miss G said but didn't change his view. Miss G asked that an ombudsman consider her complaint, so it was passed to me to decide.

In this decision, I'm dealing with the issues raised by Miss G which were addressed in BUPA's final response of 2 December 2021. That doesn't include concerns Miss G has about her subsequent subject access request to BUPA. I appreciate that Miss G would prefer to delay this complaint until she's received some further information, but we can't delay matters indefinitely and I think I have sufficient information to come to a fair decision in this complaint.

### **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.

It's clear and quite understandable that Miss G has very strong feelings about this matter. She has provided detailed submissions to support the complaint, which I have read and considered. I'm conscious that I've condensed what I don't doubt was a worrying time into a short narrative. That reflects our service that, wherever possible, aims to be informal. I'm satisfied that I've captured the essence of what happened. I trust that Miss G will not take as a discourtesy the fact that I focus on what I consider to be the central issue, that is whether BUPA handled her claim fairly and reasonably.

The relevant rules and industry guidance say that BUPA has a responsibility to handle claims promptly and fairly. I'm upholding Miss G's complaint because I don't think that BUPA treated her fairly or reasonably. I say that because:

- Miss G is responsible for the costs she incurs in having private treatment. However, if her treatment is eligible treatment, BUPA pays the costs that are covered under her benefits and in accordance with the terms of cover. Any costs not covered under Miss G's benefits are her responsibility. BUPA told Miss G that when it authorised the claim in part.
- BUPA initially agreed to cover consultant's fees of up to £548 and anaesthetist's fees of up to £180. It subsequently made an error in telling Miss G that it would pay the anaesthetist's fee in full. So, it agreed to pay Miss G that balance of £470. I think that was fair and reasonable.
- It's common ground that BUPA made another error when it paid the £470 to Miss G's consultant, rather than to Miss G directly. I understand that Miss G's consultant passed the payment onto Miss G, but he became concerned when BUPA asked him about why he'd billed for the anaesthetist's work. The consultant explained that he collected the total amount due from the patient in advance.
- BUPA is, of course, entitled to raise queries with providers and it's not fair or reasonable for me to direct BUPA not to contact a provider. I can see that the consultant was annoyed at BUPA's enquiries. BUPA isn't responsible for the fact that Miss G's consultant brought her into the issue of how he'd submitted his bill. BUPA didn't intend for Miss G to be involved in its internal review of her consultant's billing and isn't responsible for the fact that Miss G's consultant included her in e-mail exchanges.
- Whilst BUPA made an error in paying the £470 due to Miss G to her consultant, I don't think that it is responsible for everything that followed. BUPA didn't involve Miss G directly in its exchanges with her consultant. I can understand that Miss G was anxious about seeing her consultant for post-operative care, but I don't think that was BUPA's fault.
- I've thought about this matter carefully. Miss G's claim against her policy certainly got muddled and BUPA made two errors, which are now corrected. In all the circumstances, I think that fair compensation for BUPA's part in the distress and inconvenience caused to Miss G is £200. In reaching that view, I've taken into account the nature, extent and duration of Miss G's distress and inconvenience which is attributable to BUPA's errors.

### **Putting things right**

In order to put things right, BUPA should pay Miss G compensation of £200 in relation to her distress and inconvenience.

### **My final decision**

My final decision is that I uphold Miss G's complaint. I now require BUPA Insurance Limited to pay Miss G compensation of £200 in relation to her distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 1 March 2023.

Louise Povey  
**Ombudsman**