

The complaint

Mr S complains about the way Vitality Health Limited handled a dental claim he made on a private medical insurance policy.

What happened

The background to this complaint is well-known to both parties, so I haven't set it out in detail here. Instead, I've focused on what I think are the key issues.

On 27 September 2022, Mr S made a dental claim on his private medical insurance policy. He attached a date-stamped dentist's invoice, which he told us was an itemised bill. He said that he didn't receive a response from Vitality for over two weeks and was then told that he'd need to provide an itemised dentist's bill. Mr S responded to say he'd already provided Vitality with this information. Again, around two weeks later, Vitality reiterated its request for an itemised dentist's bill. Around the same time, Mr S was told by another team that a member of Vitality's dental team would give him a call back about the matter. But this call wasn't forthcoming.

Unhappy with the service he'd received from Vitality, Mr S made a complaint. One of Vitality's care team acknowledged the complaint and told Mr S that they'd reviewed the invoice he'd provided and thought it did appear to have enough information attached.

Vitality went on to issue a final response to Mr S' complaint. It said it had sent Mr S an email on 29 September 2022 which asked for an itemised invoice and proof of payment. It had gone on to chase these requests with Mr S. And it said it had tried to contact Mr S' dental practice separately to obtain the information it needed, but that it had been unsuccessful due to patient confidentiality concerns. However, it told Mr S that on this occasion, it would settle his claim based on the evidence he'd already provided, in line with the policy limits.

Mr S remained unhappy with Vitality's response and he asked us to look into his complaint. He told us that he hadn't received an email dated 29 September 2022, which had asked for more information.

Our investigator asked Vitality for further information about Mr S' claim. But despite chase-ups, he didn't receive the evidence he'd asked for. So he reached a view based on the evidence he did have. And he didn't think Vitality had handled Mr S' claim fairly. He recommended that Vitality should pay Mr S £50 compensation.

Mr S accepted the investigator's assessment. But Vitality didn't provide a substantive response to it. So the complaint's been passed to me to decide.

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 relevant regulator's rules say that insurers must handle claims promptly and fairly. And

that they must give consumers reasonable guidance to help them to make a claim, along with providing appropriate updates on a claim's progress. It's common ground that Vitality has now settled Mr S' dental claim, so the issue I need to decide is whether it handled Mr S' claim fairly. Having considered the available evidence, I don't think Vitality did handle the claim promptly and fairly and I'll explain why.

It's a general principle of insurance that it's for a policyholder to provide enough evidence to show they have a valid claim on their policy. The terms of Mr S' insurance contract also say that if a policyholder has already paid their dental costs, they must provide Vitality with an itemised receipt before Vitality will reimburse any eligible costs.

In this case, it seems to be accepted that Mr S did send Vitality a copy of an invoice showing the treatment he'd received and some proof of payment. Mr S says that the invoice was itemised and date-stamped. On the face of things then, Mr S seems to have provided the evidence the policy terms indicate Vitality required. Vitality's notes show that it considered the information given on the invoice and accompanying evidence wasn't sufficient to prove Mr S' claim. But despite requests, it hasn't sent us a copy of the information Mr S submitted at the time of the claim. This means I can't reasonably assess whether or not it was fair for Vitality to request further information.

Vitality says that it sent Mr S an email on 29 September 2022, which stated that it needed an itemised invoice. Mr S says he didn't receive such an email. While Vitality's notes say that Vitality was sending an email to Mr S on that date, no copy of the email has been provided to us. It's possible that it was sent and that Mr S simply didn't receive it. But in any event, I've looked at the further emails which were sent to Mr S on 14 October and 1 November 2022. These indicate that Vitality needed an itemised bill. But Mr S thought he'd already provided this information. And I don't think the content of Vitality's emails sufficiently explained why the invoice and evidence Mr S had already sent it weren't enough for it to settle the claim. Had Vitality provided more guidance at this stage, it's possible Mr S could've sought more information from the dentist and the claim could've been progressed sooner. Mr S would also have understood the reasons for the delay in settlement, rather than being put to the inconvenience and time of repeating that he'd already sent Vitality the evidence he thought it needed.

There also seems to be an acknowledgement that Mr S wasn't called-back by the claims team, after being told he'd receive a call. I don't doubt that this caused Mr S further unnecessary frustration. And it seems to me that if Vitality had called Mr S back when it said it would, the matter could've been discussed and potentially resolved at an earlier stage. I say that because Mr S may have understood what further information Vitality needed and understood the reasons for the delay in settlement.

I appreciate Vitality's claims team do appear to have called the dentist to try and get the evidence it needed. But this seems to have been after a member of its care team had already told Mr S that they thought he'd provided enough evidence. On that basis, it seems difficult to understand why the claims team still attempted to contact the dentist and didn't settle the claim at that point or update Mr S on the progress of the claim. Instead, the claim wasn't settled for over two more weeks, causing Mr S to experience a further period of delay.

Overall, while I accept Vitality was reasonably entitled to be satisfied that the claim was valid, I find that there were delays in its communications with Mr S and that it didn't provide him with enough guidance about why it needed further information and exactly what it required. It also failed to call Mr S back when it said it would. I think that these errors are likely to have caused Mr S some material frustration and inconvenience. Therefore, I agree with our investigator that Vitality must pay Mr S an award of £50 compensation to reflect the impact its customer service had on him.

My final decision

For the reasons I've given above, my final decision is that I uphold this complaint.

I direct Vitality Health Limited to pay Mr S £50 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 14 June 2023.

Lisa Barham
Ombudsman