

The complaint

Ms F complains that Vitality Health Limited mishandled her private medical insurance claim.

What happened

Both parties are familiar with the events leading up to this complaint, so I've only described them briefly.

Ms F had access to private medical insurance through a business healthcare plan underwritten by Vitality. In June 2022 she made an oral cancer related claim, but later complained about the way it had been handled.

Vitality partially upheld that complaint. It acknowledged for example that some call backs had been missed and Ms F had been made to repeat herself, it should have referred her claim to its oncology team a few days earlier, and it could have been clearer about retrospectively adding co-payments.

Vitality apologised for the above and explained wider increases of similar claims had highlighted some areas for improvement. It agreed to settle some of the retrospective costs without co-payments too. But it didn't accept that it had delayed matters overall and said the delays had actually been caused by Ms F's consulting team. So, unhappy, Ms F referred her complaint to this service.

Our investigator didn't think Vitality had delayed the claim overall either. They did think it could have been clearer about policy limits during one of its calls with Ms F though, and recommended it paid £100 in compensation to reflect the confusion and distress that had caused.

Vitality agreed to pay the £100 as a gesture of goodwill. But Ms F explained her distress wasn't isolated to one phone call and said any compensation should correspond more directly to the overall trouble experienced. She reiterated that she was unable to be seen by a consultant of her choice, in a private hospital, and faster than with the NHS because of what had happened. And said she wouldn't be satisfied until there was acknowledgement of the multiple errors which had led to the poor outcome for her either.

So, as no agreement was reached the complaint was referred 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.

Ms F clearly feels very strongly about the entirety of Vitality's case handling and has set out why she feels more compensation is warranted. Though I empathise with the impact Ms F has described, I'm not persuaded that an increase to the £100 already recommended is warranted.

Vitality has a responsibility to handle claims both promptly and fairly. I won't recite the entire

timeline of events here, but I don't agree that Vitality significantly or unnecessarily delayed this claim either. For example I note:

- Ms F contacted Vitality on 13 June 2022 with a report from her dentist who had suspected oral cancer and made an urgent referral. Vitality found 2 consultants for Ms F on that same day, and Ms F said she'd be happy to reach out to them herself.
- Having seen a consultant three days prior Ms F contacted Vitality again on 20 June 2022 and confirmed she'd received a cancer diagnosis. Ms F was awaiting the results of a biopsy at the time and on 24 June 2022 contacted Vitality with a full diagnosis. Although a call back didn't take place as advised, on 27 June 2022 Vitality received confirmation of Ms F's surgery date and requested reports from her treating consultant the same day.
- A letter about Ms F's diagnosis was received by Vitality on 29 June 2022. It was passed to Vitality's medical affairs teams for review who in turn requested additional information from Ms F's consultant on the same day.
- A response to that request was received on 30 June 2022, and on 1 July 2022 Vitality's medical affairs team requested missing information from it. When doing so Vitality explained it would need the response *"as soon as possible to ensure a decision can be made prior to surgery on Sunday"*.
- No response was received to the above, and Vitality chased up the outstanding request on both 5 and 8 July 2022 (at which point it learned Ms F was pursuing treatment via the NHS).

I understand that Ms F's surgery didn't go ahead as planned and of course empathise with her distress about that. But it would be unfair of me to find that Vitality was responsible delaying this claim overall.

I haven't seen anything to corroborate that Vitality caused the surgery to be delayed, nor that it was responsible for the effect Ms F has told this service the delays had on her overall diagnosis and treatment plan either. Vitality was entitled to assess the claim it had received, and I don't think the information requests it made to help it do that were unreasonable.

It was appropriate of Vitality to apologise for the areas where it acknowledged it could have done more and I am pleased it's already done so. But in all the circumstances I'm not persuaded that Vitality's position – on the overall delays arising because it was awaiting information from another party – is unreasonable.

As our investigator rightly explained, Vitality's internal notes show it had asked that Ms F be made aware of a £5000 policy limit for dental reconstruction and implants. I don't think it was inappropriate of Vitality to highlight the relevant policy limits, and I acknowledge that given the circumstances finding the 'right' time to do so was difficult. But I do think the call in which this limit was relayed to Ms F led to her being unnecessarily distressed.

Ms F appeared to be confused and concerned by the explanation being given to her. She had to ask a number of follow-up questions in an attempt to try and clarify how, and when, the limits would apply too. And the call handler's explanation and response to questioning could have been clearer. A follow up email was sent shortly after the call, and that contained a clearer explanation of the limit, but the call itself did cause Ms F distress when it need not have done so.

Compensation isn't intended to penalise a business. It is intended to be a fair and proportionate reflection of the impact a business mistake has had on someone. I recognise Ms F feels additional compensation is warranted here, but I think £100 compensation is a

fair and proportionate reflection of the impact described above and will not be awarding an increase.

Putting things right

Vitality should pay £100 in compensation if it has not already done so.

My final decision

My final decision is that I uphold this complaint. Vitality Health Limited should put things right in the way I have set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms F to accept or reject my decision before 26 July 2023.

Jade Alexander
Ombudsman