

The complaint

Mrs H complained that Aston Lark Employee Benefits Limited didn't pass her medical history through to the insurer when setting up her policy.

What happened

Mrs H took out a new private medical insurance policy through Aston Lark Employee Benefits Limited in November 2021. She declared her medical history and understood and her pre-existing conditions would be covered. However although some medical history was passed through by Aston Lark to the insurer, it didn't mention the diagnosis of adenomyosis. This meant that when Mrs H made a claim for adenomyosis, the insurer rejected the claim. Mrs H went through the NHS for ultrasound scans and saw a gynaecologist privately.

She complained to Aston Lark and to this service. Our investigator upheld the complaint and recommended that Mrs H be paid £100 in compensation. Aston Lark accepted the recommendation. Mrs H didn't feel that a payment of £100 was commensurate with the upset and anguish caused because of Aston Lark's error.

I issued a provisional decision on 28 April 2023 as I was minded to award greater compensation than that recommended by our investigator. I said as follows:

It is not disputed that Mrs H's adenomyosis wasn't disclosed by Aston Lark to the insurer. This meant that her claim wasn't accepted, although I can see that the insurer accepted a later claim for a similar condition. She incurred gynaecologist's fees and had a scan on the NHS – rather than under her private medical insurance policy. I appreciate that this would have been confusing and upsetting for Mrs H as she had disclosed the condition to the adviser. I'm pleased to note that Mrs H has been refunded the fees she incurred when seeing the gynaecologist privately.

I agree that compensation is due to Mrs H for the upset caused and the fact she wasn't able to use her policy as she had intended. I fully accept that this caused her great upset and inconvenience. Like our investigator I'm satisfied that compensation is due, and I'm minded that a greater sum than recommended by our investigator is appropriate. I provisionally find that the sum of £250 is fairer in the circumstances.

Mrs H feels strongly that her complaint isn't about compensation, but about the principle that a financial business can operate in this way. I understand her strength of feel but this service's remit is the resolution of financial disputes, not to regulate financial businesses. That falls to the regulator – the Financial Conduct Authority.

I invited the parties to make further representations. Aston Lark said it had no further comments to make. Mrs H didn't respond.

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.

As there have been no further representations, I see no reason to change my provisional findings, which I adopt here.

My final decision

My final decision is that I uphold this complaint. For the reasons given above I require Aston Lark Employee Benefits Limited to pay Mrs H £250 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 15 June 2023.

Lindsey Woloski
Ombudsman