

The complaint

Mr H complains that Vitality Health Limited did not progress his private medical insurance claims.

What happened

Mr H held private medical insurance cover with Vitality. In November, Mr H sent Vitality two referral letters from his GP. When he didn't receive a response from Vitality, he cancelled the policy. He complained to Vitality about the matter.

Vitality apologised for not contacting Mr H after it had received the referral letters. Vitality offered him £100 compensation for this. Unhappy with this, Mr H brought a complaint to this Service. He wanted Vitality to refund him the premiums paid and pay him £5,000 compensation.

Our investigator recommended the complaint be upheld. She thought Vitality had caused Mr H unnecessary worry, and recommended Vitality increase the compensation to £200.

Vitality accepted our investigator's recommendations, but Mr H did not. The matter has therefore been passed 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.

It is not in dispute that Vitality was at fault here. It received the referral letters and then logged the claims on 7 November. As Mr H held a moratorium policy, Vitality wanted more information about both claims before it could agree to cover any treatment. However, it failed to ask Mr H to provide it with the further information that it needed.

Mr H did not contact Vitality again about the matter, and decided to cancel his policy on 16 November. I understand his GP had made an urgent referral under the NHS, and so he went ahead with his treatment on the NHS. That of course was up to him, though if he had wanted private treatment, I think he could have called Vitality to find out what was happening with his claims. Though given the urgency of the matter, and that Vitality would have needed more information before approving the claims, it may be that Mr H would have decided to continue with his treatment on the NHS in any event.

Vitality offered Mr H £100 compensation initially, but agreed to increase this to £200 after our investigator asked it to do so. I think this level of compensation is reasonable in the circumstances, and reflects the inconvenience that Mr H was caused by the matter.

Although Mr H wants Vitality to refund his premiums, I don't require it to do so. Whilst Vitality did make an error, Mr H didn't give Vitality the opportunity to put matters right before he cancelled his cover. Vitality was on risk to pay a valid claim, and so it would not be reasonable for me to require Vitality to refund Mr H's premiums.

My final decision

My final decision is that I uphold this complaint. I require Vitality Health Limited to pay Mr H £200 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 16 August 2023.

Chantelle Hurn-Ryan
Ombudsman