

## **The complaint**

Mr C complains that Western Provident Association Limited (WPA) won't pay for a diagnostic test he had, simply because of where it took place.

## **What happened**

Mr C has insurance which provides access to a range of medical services from certain providers. In late 2022 he was experiencing back pain, so he approached WPA about claiming for a diagnosis and (potentially) treatment. WPA agreed to cover the cost of a meeting with a consultant and diagnostic tests. WPA and Mr C discussed by phone which grade of hospital he could use, as his insurance didn't cover him for tests within what it calls premium hospitals. In particular they discussed the fact that the hospital Mr C intended to use housed both premium and non-premium services.

Mr C saw the consultant and was advised he needed a test which he booked at a reception desk in the same building. He had the test shortly after – but when he submitted his claim WPA said it had been done in a premium part of the hospital, and wouldn't pay for it. Mr C complained but WPA didn't change its stance. He asked us to review his complaint. In an effort to settle this complaint informally we asked WPA if it was prepared to pay Mr C the amount it would have honoured if he'd had his test in an appropriately graded facility but it didn't want to do this.

Our investigator thought the complaint should be upheld. He didn't think the letter WPA sent to confirm what it would pay for made it clear that Mr C could only have the tests in a non-premium hospital or facility. So he concluded that WPA should pay the full cost of the test Mr C had.

Mr C accepted this, but WPA didn't. It said our investigator had referred only to the letter it sent and hadn't taken account of the phone calls between it and Mr C where it had been explained that there were limits on where Mr C could have tests.

I've been asked to decide 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.

Before I talk about how I've reached my conclusions on this complaint, I should say that I've only considered the circumstances of this particular complaint and how the situation arose. Any decision only applies to this complaint and its particular combination of circumstances.

I issued my provisional findings on this complaint last month.

In summary, I thought the following:

- That WPA had a duty to explain what Mr C could claim for under the terms and conditions of his policy, and that Mr C should take some care to use that information when arranging treatment if he wanted to claim for it.
- That Mr C and WPA had had phone conversations where WPA explained clearly which facilities he could use under his policy – and Mr C acknowledged that he understood these.
- That a letter sent by WPA authorising diagnostic tests did contain information about the type of facility Mr C could use, even if that wasn't on the first page.
- That Mr C told us he simply wasn't thinking about where he could have treatment when he saw his consultant and booked his test. By mistake he booked it in a part of the hospital he couldn't use if he wanted WPA to pay for it.
- That the layout of this particular hospital can be confusing – and that it contained both premium and non-premium facilities.
- That it wasn't the responsibility of the consultant Mr C saw to check he was using the correct facilities, as he isn't party to the insurance contract.

We originally asked WPA to pay what it would have done if Mr C had used the correct facility, but it didn't want to do that as it believed that was unfair to others who reduced the cost of their policy by agreeing to use non-premium facilities. I didn't think that was a relevant argument as we hadn't asked WPA to pay more than it would have done if Mr C had used a non-premium facility. Mr C hadn't chosen the facility – he'd instead forgotten to check where he was to be tested.

### **Putting things right**

Overall, I didn't think WPA had settled Mr C's claim fairly and equitably. To put things right I thought WPA should reimburse Mr C the cost of his test if he'd had it in an appropriate facility, providing Mr C provided evidence of payment.

I did consider compensation, but thought it wasn't warranted in these circumstances.

Both parties have accepted my provisional findings, so I see no reason to change my conclusions. Mr C has very helpfully provided a copy of his receipt to facilitate payment.

**My final decision**

My decision is that I uphold this complaint and require Western Provident Association Limited to reimburse Mr C the cost of his test up to the amount it would have reimbursed in an appropriate facility.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 7 September 2023.

Susan Peters  
**Ombudsman**