

The complaint

Mr H is unhappy with how AXA PPP Healthcare Limited have handled his claims on his private medical insurance policy.

What happened

Mr H required an operation, so in July 2022 he contacted AXA who underwrite his private medical insurance.

AXA confirmed to Mr H they would cover the costs for treatment T2501. But they rejected cover for the T2780 procedure because they said the treatment was for something they don't deem to be a medical condition under the policy and the treatment also wasn't listed on their schedule of procedures and fees as an eligible procedure.

Mr H complained to AXA that they'd declined cover for treatment T2780. AXA responded to the complaint with a final response letter on 22 September 2022.

Mr H went ahead with the operation in November 2022 and AXA settled the costs for treatment T2501. But Mr H was unhappy with the settlement, so he raised another complaint to AXA in February 2023.

Unhappy with AXA's responses, Mr H referred the matter to our service. Our investigator said he thought the complaint about AXA declining any cover for treatment T2780 had been brought to us too late. So he was only able to look into the merits of Mr H's second complaint about the settlement costs from AXA for treatment T2501. And having done so he thought AXA's settlement was reasonable.

Mr H disagreed. In summary he said:

- His claims are for linked treatments so we should be able to look at them both
- He didn't refer his first complaint to us sooner because he was in continued contact with AXA about the matter
- He obtained the name of his surgeon from AXA as a surgeon on their preferred list of acceptable surgeons. And then AXA ignored his opinion that justified the inclusion of both procedures
- He stayed in hospital for 4 nights - the 3 nights suggested was not viable after such a major surgery

So now the case has 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.

Claim for treatment T2780 not being eligible

I appreciate Mr H's feelings that AXA ignored the opinion of the surgeon on their list that justified the inclusion of both procedures. However, I think it would be helpful to clarify that AXA have explained their decision not to cover the claim for this treatment doesn't mean they think it wasn't medically suitable. It was declined because they don't agree the treatment was eligible for cover under the terms and condition of Mr H's policy.

We've explained we're unable to consider if AXA's decision to decline cover was fair because the complaint about that treatment was referred to us too late.

I've issued a separate jurisdiction decision on this matter which addresses Mr H's points above in relation to treatment T2780.

Settlement costs for treatment T2501

The relevant industry rules say an insurer must handle claims promptly and fairly and shouldn't unreasonably reject a claim.

From what I've seen AXA appears to have calculated and settled the costs for the anaesthetist, surgeon, blood tests and hospital fees fairly for treatment T2501.

Mr H has explained he was in hospital for four nights following his surgery totally £2,012. AXA covered £504 because one night's hospital stay was required for the eligible treatment, and the remaining 3 nights was for the ineligible treatment. I think that was reasonable settlement in the circumstances.

I understand Mr H thinks the full surgery costs should have been covered. And that he has supporting medical opinions to say the procedures were linked. But for the reasons set out above, I'm unable to comment on AXA's decision that treatment T2780 wasn't eligible for cover. So from what I've seen AXA have fairly covered the costs for the treatment they deemed eligible under Mr H's policy. And those costs have been settled in line with the policy terms.

I'm also mindful that AXA were prompt and clear in their communications to make Mr H aware the costs that they would and wouldn't be covering before his surgery went ahead. So I'm satisfied his expectations were managed and it was his decision to still go ahead with the full procedure.

I'm sorry to disappoint Mr H, but there aren't reasonable grounds upon which I can ask AXA to do anything further here.

My final decision

For the reasons set out above, I'm not upholding this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 30 April 2024.

Georgina Gill
Ombudsman