

The complaint

Mr and Mrs L are unhappy that ReAssure Limited declined a claim made by Mr L on his “crisis cash cover” insurance policy (‘the policy’).

The policy includes serious illness cover, whereby, if during the term of the policy an insured person is diagnosed with a listed illness under the policy terms, a stipulated benefit amount will be paid.

As this complaint relates to a claim made by Mr L, for ease, I’ll refer to him throughout.

What happened

The details of this complaint are well known to both parties, so I won’t repeat them again here. I’ll focus on giving the reasons for my 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.

ReAssure has a regulatory obligation to handle insurance claims fairly and promptly. And it mustn’t unreasonably decline a claim.

I have a lot of empathy for Mr L’s situation, and I know he’ll be very disappointed. But for the reasons I’ll go onto explain, I’m satisfied ReAssure has fairly and reasonably declined the claim made under the policy.

- The medical evidence supports that Mr L sadly had a stroke in early 2022. Stroke is a listed serious illness under the policy terms and, subject to the remaining terms and conditions of the policy, ReAssure will pay £10,000 benefit per unit.
- The policy terms also contain exclusions. One of these says that the benefit will not be paid for claims arising directly or indirectly from “a condition for which the insured person had previously received investigation or treatment, or which had previously been diagnosed, or of which they were aware, prior [sic] the commencement of the policy”. I’ll refer to this as “the exclusion”.
- Mr L’s Health Centre told ReAssure in a letter dated July 2022 that Mr L was diagnosed with type 1 diabetes in late 2015, having previously been diagnosed with type 2 diabetes in 2000.
- It isn’t disputed that Mr L took out the policy in around 2004 so by that stage I’m satisfied he’d received a diagnosis of type 2 diabetes.
- A doctor at Mr L’s Health Centre had previously completed a medical questionnaire for Reaasure in May 2022, answering questions relating to Mr L’s stroke. They list type 1 diabetes as one of the factors to have increased his risk of stroke.
- I don’t think ReAssure has unfairly relied on the exclusion to decline the claim in this

case. Although Mr L wasn't diagnosed with type 1 diabetes until 2015, ReAssure has provided evidence from a leading UK diabetes charity website which reflects that when someone has diabetes, they're more at risk of cardiovascular disease, which can lead to a stroke. The website says: "a stroke is when blood can't get to your brain, and it's starved of vital oxygen and nutrients. This can happen if your blood vessels are damaged or blocked and...having diabetes means you're more at risk of this happening". It doesn't make a distinction between type 1 and type 2 diabetes.

- I'm not a medical expert. So, based on this information and because I don't have any other medical evidence to contradict the information from this leading charity's website, I'm persuaded that ReAssure has fairly linked Mr L's diagnosis of diabetes before taking out the policy with the stroke he had in 2022.
- When making this finding, I've also taken into account information on the prevention of strokes on the NHS website. It reflects: "if you have been diagnosed with a condition known to increase your risk of stroke, ensuring the condition is well controlled is also important for helping prevent strokes". It goes on to provide links to five medical conditions including type 1 and type 2 diabetes. I'm satisfied this information is also reliable and I think it also supports that having diabetes increases the risk of a stroke.
- Mr L's Health Centre letter to ReAssure dated July 2022 also reflects that his diabetes was poorly controlled between April 2018 and April 2019 and in the months leading up to November 2020. Based on other information on the leading charity's website and the NHS website referred to above, I'm satisfied this is likely to increase the risk of a stroke.
- I've taken on board all points raised by Mr L including what he says about offering to have an appointment with one of ReAssure's medical experts. However, I don't think ReAssure was required to do this. I think it's been able to establish that it acted fairly by relying on the exclusion to decline the claim.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs L to accept or reject my decision before 19 March 2024.

David Curtis-Johnson
Ombudsman