DRN-4610519

The complaint

Mr M is unhappy with the way Vitality Health Limited handled his claim.

What happened

Mr M had private medical insurance underwritten by Vitality Health. He made a claim on his policy for treatment he needed.

There was a delay in progressing the claim. Vitality said it was caused by Mr M's General Practitioner (GP) because it hadn't responded to their request for information about Mr M's medical history. But the GP said they were still waiting for the request to be made formally from Vitality

Unhappy with the confusion and delay, Mr M made a complaint. Vitality responded to the complaint and repeated that they were still waiting for information from Mr M's GP, so the claim wasn't able to progress.

Mr M referred the matter to our service. Our investigator reviewed everything and said Vitality were fair to await the information from the GP before reaching a claims decision.

Mr M then provided evidence that showed the GP had asked Vitality to follow the correct process for requesting medical information, but Vitality hadn't ever actioned this - and this is what had caused the delay in progressing his claim.

Our investigator reviewed everything again and recommended Vitality pay £100 compensation for the inconvenience they caused in not requesting the information from the GP in the correct way.

Vitality agreed to the compensation and confirmed they had now requested the medical evidence from the GP using the correct process, so his claim would be progressed.

Mr M remained unhappy that his claim was still not being progressed and asked for an ombudsman to review the matter.

The case was then passed to me to decide. In February I issued a provisional decision which said:

The relevant industry rules say an insurer must handle claims promptly and fairly. And they shouldn't reject it unreasonably.

The outcome of the claim

Mr M has explained he's already paid for the treatments he is claiming for, so he's now out of pocket despite having insurance in place at the time. At this stage, once Vitality receives the required medical evidence from the GP, they still need to assess the claim to decide if they will cover Mr M's costs. So I'm unable to comment any further on this. If Mr M is unhappy with the outcome of his claim when he receives it, he would need to raise a separate complaint.

The way the claim has been handled so far

The crux of Mr M's complaint is about the way his claim has been handled and the delay in progressing it. So I've looked into the timeline of what's happened and Vitality's communication throughout the claim journey.

On 23 February 2023 Vitality received the referral form for Mr M's medical claim. Key information was missing, such as the start date of his symptoms, so they asked Mr M to contact his GP to request this information and send it to them. I think it was reasonable for Vitality to want to validate the claim in this way.

Mr M then provided the missing information about his medical history himself on 24 February and again on 10 March. He said they would need to contact his GP themselves as he couldn't get through and he explained his physiotherapist may be better placed to discuss his condition. Although I appreciate Mr M answered all Vitality's questions about his symptoms and condition, I don't think it was unreasonable that the insurer still wanted to seek supporting evidence from his GP. So I think it was fair for Vitality to continue with this request.

On 21 March, they emailed Mr M's GP asking them to confirm the start date of his symptoms and some medical history. The GP practice replied on the same day asking Vitality to submit their request through the usual formal and secure process. But Vitality didn't ever respond to this email.

Vitality explained that their case handler missed this email from the GP asking for the request to be made following the correct formal procedure. But they did chase the GP again on 27 March and were incorrectly told their request was being processed. I've thought about this, and appreciate this may have been confusing for Vitality, but I still think it's reasonable for them to have followed this up further when they never received anything from the GP. Especially when Mr M complained about the progression of his claim and chased Vitality again in April but was again told the delay was with his GP and he should contact them again.

I'm satisfied Vitality's request to the GP in March 2023 wasn't made correctly or followed up by Vitality in a reasonable way. And this then caused confusion and delay over many months. Mr M's claim wasn't progressed at all during this time, despite him chasing.

I've thought about the distress and inconvenience caused to Mr M because of Vitality's delay and poor communication. It must've been frustrating for Mr M to keep chasing Vitality for an update, and then be incorrectly sent back to his GP on each occasion. This would've impacted his time.

I'm also mindful that Vitality missed more than one opportunity to rectify this error when Mr M complained and chased them again in April for an update on his claim and said his GP had told him they weren't at fault. The lack of action from Vitality again must've been frustrating and disheartening.

As explained above, Vitality were entitled to request further verification from the GP. But this should've been done promptly and professionally – through the usual formal secure channels. And it wasn't.

Had Vitality's request been made correctly in March 2023, I think it likely Mr M would've had a decision on his claim by now. So taking account of the time that has passed since the formal request to the GP should've been made, and that Vitality haven't ever followed up a response from the GP since, I think they should pay Mr M £250 compensation for their poor

communication and the delay caused.

And they need to ensure the claim is now progressed as a priority, so they will need to assess Mr M's claim in line with the policy terms and conditions within 28 days of the date on which we confirm the consumer accepts my final decision. If this takes longer than 28 days, then Vitality must give Mr M a meaningful update setting out the timeframe when he will receive the answer on his claim

Responses to my provisional decision

Mr M said he felt the case was now moving in the right direction and confirmed Vitality had now made contact with his GP. However, he felt the £250 compensation didn't go far enough to reflect the stress of dealing with this issue.

He then got back in contact to say Vitality were delaying matters again and hadn't processed the claim within the 28 days I'd set out – he provided an up-to-date timeline of events for my consideration. He also asked me not to issue my final decision until Vitality make a decision on his claim.

Vitality reiterated that they did chase the GP on 27 March and were advised that the response was being actioned. So even if they had seen the GP's email telling them to resend their request, they wouldn't have taken any action because the surgery then incorrectly confirmed that they were dealing with the request.

And they didn't think the increase in compensation was fair as they hadn't heard from Mr M for many months and a quick follow up to them or his GP could have resolved this at a much earlier time.

So now I must reach a final 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.

I've thought about the responses from both parties, but it hasn't changed my position. I'll explain why:

- I don't dispute that Vitality chased the GP again on 27 March and were incorrectly told their request was being processed. As explained, I've thought about this, and appreciate this may have been confusing for Vitality. But I still think it's reasonable for them to have followed this up again with the GP when they never went on to receive any information from them.

- I also think they missed an opportunity to rectify their error when Mr M contacted them again to complain that there had been no progression of his claim. And chased them again in April when he was told the delay was with his GP and he should contact them again. I don't think that was a reasonable response from Vitality. They should have done more themselves at this stage to check what the delay was and then been able to resolve it much sooner.

- Vitality have argued that if Mr M had got back in contact with them or his GP then matters could've progressed sooner. But I don't think that's fair. As already explained above, Mr M did go back to both parties to chase an update - and Vitality missed this opportunity to take action in April 2023. Its clear Mr M became so frustrated with the

lack of progression on his claim that he brought his complaint to our service in September 2023 rather than keep chasing Vitality.

- In summary, I'm satisfied Vitality's request to the GP in March 2023 wasn't made correctly or followed up by Vitality in a reasonable way, despite them having opportunities to do so when Mr M chased them.

- Mr M has said he doesn't think £250 is enough to recognise the distress and inconvenience caused to him because of Vitality's delay and poor communication. I'd previously set out that I'd considered Mr M's frustration at having to keep chasing Vitality for an update, and then be incorrectly sent back to his GP on each occasion. So I'm still satisfied £250 is reasonable for the distress and inconvenience caused.

- I'm aware of the time still taken to move things forward. I'm mindful that Vitality were unable to progress the claim without the information from the GP, so I think it's fair to allow them reasonable time to do this following our intervention. I understand the information has now been correctly requested from the GP. So I hope Vitality now progress the claim in a timely manner.

- However, I entirely understand Mr M's concerns that Vitality may continue to delay matters and he'll remain unhappy once a decision on his claim is made. I'm not able to leave this case open indefinitely and look at future issues under the same complaint as he has requested. But I'm satisfied my directions are clear in relation to the next steps Vitality must take to move things forward. If Mr M remains unhappy following the 28 deadline set out below, or after he receives a claims decision then he would need to raise a separate complaint.

- Mr M has mentioned Vitality still hasn't processed the claim within the 28 days I set out in my previous decision. However, to clarify that decision was a provisional one, not a final decision. My direction for Vitality to assess this claim within 28 days starts from the date on which we tell them Mr M accepts my final decision (which is this document). And if this takes longer than 28 days, Vitality must give Mr M a meaningful update setting out the timeframe when he will receive the answer on his claim.

Putting things right

Vitality Health Limited need to put things right by:

- Pay Mr M £250 compensation for the distress and inconvenience caused by their poor communication and delays
- Assess Mr M's claim in line with the policy terms and conditions within 28 days of the date on which we tell Vitality he accepts my final decision
- If this takes longer than 28 days, Vitality must give Mr M a meaningful update setting out the timeframe when he will receive the answer on his claim

My final decision

For the reasons set out above, I uphold this complaint against Vitality Health Limited and direct them to put things right in the way I've outlined above.
Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 19 April 2024.

Georgina Gill
Ombudsman