

## **The complaint**

Mr W complains that CIGNA Europe Insurance Company SA-NV (CIGNA) has withdrawn his personal healthcare policy from the market.

## **What happened**

Mr W took out a personal healthcare policy with CIGNA in 1987. The policy provided, as well as well what's listed in the terms and conditions, indefinite cover to Mr W for a range of annual heart consultations and tests.

It came to light in 2013 that CIGNA had been paying for the monitoring of Mr W's heart condition in error. However, as a gesture of goodwill, it agreed to continue cover for this until the policy expired.

On 2 December 2022, CIGNA wrote to Mr W to inform him that it had decided to stop providing cover on its healthcare policy. It offered its members the option of switching to another healthcare provider on an 'uninterrupted' basis.

Mr W contacted another provider, but it didn't offer the option of providing cover for on-going heart monitoring and CIGNA wasn't able to offer this cover under one of its other policies. CIGNA offered Mr W £1,500 compensation for his loyalty and because it can no longer offer this cover to him.

Mr W brought his complaint to this service. He wants CIGNA to provide cover for him under one of its other policies without full medical underwriting and at the same premium he was paying or provide compensation to him for the cost of the new higher premium.

Our investigator looked into the complaint. She didn't uphold it. CIGNA decided to withdraw the policy from the market and gave notice to Mr W to allow him time to review his options for finding another provider. She didn't think it was unfair for CIGNA to withdraw the policy from the market as this was a commercial decision and it gave notice. And she thought the £1,500 compensation CIGNA offered to Mr W was fair in the circumstances.

Mr W disagreed and asked for the complaint to be referred to an ombudsman. So, it's been passed to me.

## **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.

Having done so, I won't be upholding the complaint for the following reasons:

- The policy terms confirm the policy is an annual one and that CIGNA may offer the member the chance to renew each year. They also say that CIGNA may not offer Mr W renewal if there's an event that prevents it from continuing to provide the policy. They say CIGNA can end the plan or change any of its conditions and at least 28

days' notice will be given in writing. CIGNA sent Mr W a letter in December 2022 that the policy was being withdrawn in December 2023 (at the next renewal date). CIGNA said the changes to the plan would take place from the next renewal date.

- Mr W's cover usually renewed in December each year. However, CIGNA chose not to offer him renewal for 2023 policy year. The reason for this is that because CIGNA made the decision to withdraw cover for all its health insurance policies and chosen to exit the health insurance market. That's a commercial decision in which I can't interfere, and CIGNA is entitled to make this decision.
- As CIGNA has made a commercial decision to exit the healthcare market, this event prevents it from continuing to provide the policy. I'm satisfied that CIGNA's decision not to offer Mr W renewal in December 2023 was therefore in line with the policy terms and conditions and it provided one year for Mr W to seek an alternative provider. I think this was sufficient notice for Mr W to take out another policy before his cover with CIGNA ended.
- I understand that CIGNA agreed, in 2013, to continue paying for Mr W's ongoing monitoring of his heart condition. It was agreed that CIGNA would continue with this as a gesture of goodwill due to an error it made at the time. This isn't an issue that I can comment on, and I do appreciate the situation is worrying for Mr W. However, as the product is being withdrawn from the market, CIGNA isn't required to continue providing the ongoing monitoring of Mr W's heart condition when the plan ends.
- Mr W has said the policy was abruptly withdrawn from the market after 37 years and this has affected him medically, financially and psychologically. I do understand that the decision to withdraw the policy has deeply affected Mr W and I know he will be disappointed, but I don't think CIGNA has done anything wrong. It's entitled to withdraw the policy from the market, and it's given Mr W sufficient notice to find an alternative provider – I don't agree it was abrupt.
- While Mr W says CIGNA should be made accountable to the regulator, I'm afraid this isn't the role of the Financial Ombudsman Service. Our role is to look at what's happened in the individual merits of his complaint based on the individual circumstances.
- I note Mr W has said CIGNA informed him in the December 2022 letter that he can switch to another provider with the preferential benefit of uninterrupted cover. However, he says there was no mention of the being asked his medical history over the previous five years or that that premiums would increase. I appreciate that Mr W is extremely disappointed and frustrated with how he's been treated but CIGNA has no responsibility to transfer a plan over to another provider on the same terms as he had benefitted from over the 37 years that he has been a member with it.
- Mr W wants CIGNA to provide cover for him under one of its other policies without full medical underwriting and at the same premium he was paying or provide compensation to him for the cost of the new higher premium. I'm afraid I disagree. As I've said, the insurance contract renewed each year. That meant, effectively, that a new policy started each year and CIGNA was entitled not to offer renewal, as I've explained above.
- I can see that CIGNA offered Mr W £1,500 offered for the impact caused to him and for being a loyal customer of CIGNA for a significant period. Based on what's happened, I think this is fair and reasonable in the circumstances. If Mr W hasn't

accepted this offer and wishes to do so, he should contact CIGNA directly.

For the reasons given above, I don't uphold Mr W's complaint. It follows that I don't require CIGNA to do anything further.

**My final decision**

My final decision is that I don't uphold Mr W's complaint about CIGNA Europe Insurance Company SA-NV.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 20 March 2024.

Nimisha Radia  
**Ombudsman**