

The complaint

Mr and Mrs J are unhappy that AXA PPP Healthcare Limited hasn't covered the cost of outpatient consultations Mrs J had under their private medical insurance policy ('the policy').

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.

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

I know Mr and Mrs J will be very disappointed, but I'm satisfied AXA has fairly relied on the terms of the policy to decline cover for the costs of the outpatient appointments attended by Mrs J. I'll explain why.

- Mr and Mrs J's policy membership certificate says under the heading 'your policy at a glance' that they don't currently have any options. And on page 6 under the heading: 'your core cover – a summary', it says they're covered for CT, MRI and PET scans and surgery as an outpatient. Outpatient consultations with a specialist aren't mentioned as being part of 'core cover'.
- Page seven of Mr and Mrs J's policy membership certificate also sets out the possible options they can choose to add to the policy. That includes standard out-patient and full out-patient cover. Both include specialist consultations (although the standard out-patient cover is limited to three consultations a year). I'm satisfied that the policy didn't include either of these options.
- Pages three to seven of the policy terms and conditions also set out the options available. Core cover for outpatients is said to include surgery, CT, MRI or PET scans. There's no mention of outpatient consultations with a consultant being covered as part of core cover. Specialist consultations for outpatients are only listed under the options for standard outpatient or full out-patient options. It says under section 1.2 of the policy terms and conditions that "your membership guide shows which options you have chosen".
- Page eight of the policy terms and conditions also sets out the "key things that may not be covered depending on the options you've chosen". It explains in a table, clearly in my view, that "if you do not have an out-patient option" then there's no cover for "out-patient diagnostic tests or consultations". There's a specific policy definition of diagnostic tests and is limited to x-rays and blood tests "to find or to help find the cause of your symptoms".
- Mr and Mrs J say that the consultations pre- and post-surgery are a key part of the

consultant's work. I understand the point they make but they hadn't chosen (or paid for) any additional options which would've included outpatient consultations with a specialist. So, I don't think it would be fair and reasonable for AXA to cover Mrs J's outpatient appointments with the consultant which took place on a different date to the day-patient treatment.

- During the pre-authorisation call in early February 2023, I'm satisfied that AXA told Mr J that there was no cover for out-patient consultations under the policy. I think that was correct and in line with the policy terms.
- I've also listened to a call between Mr J and one of AXA's representatives in December 2021, long before the costs were incurred in respect of Mrs J's treatment. I think this call is relevant. I'm satisfied Mr J enquired and obtained a quote for out-patient cover although he chose not to proceed with this. I'm also satisfied AXA's representative explained the limitations of the core cover in respect of outpatient treatment. Mr J enquired whether a consultant's fee would be covered as a follow up to a day-patient procedure. It was confirmed, in line with the policy terms, that if this was an out-patient appointment then it wouldn't be covered under core cover.
- Although not part of the policy terms and conditions, the Insurance Product Information Document – which sets out the main features of the policy – says under the 'what is insured?' section on page one: out-patient treatment for surgery and CT, MRI and PET scans, when referred by a specialist. It also says under 'optional cover' that specialist consultations and diagnostic tests as an outpatient are covered if "you have an Out-patient Option". I'm satisfied that Mr and Mrs J didn't include additional options to the core cover.

When making my decision, I've taken on board all of Mr and Mrs J's other comments including what they say about the policy terms saying specialist fees for inpatient and day treatment are covered under core cover. However, in-patient, and day-patient treatment is different to out-patient consultations.

Out-patient is defined by the policy as "a patient who attends a hospital, consulting room or out-patient clinic and is not admitted a day-patient or in-patient".

In-patient is defined as "a patient who is admitted to hospital and who occupies a bed overnight or longer, for medical reasons".

Day-patient is defined as "a patient who is admitted to a hospital or day-patient unit because they need a period of medically supervised recovery but does not occupy a bed overnight".

AXA accepts that it was liable for the consultant's cost of undertaking the surgery for Mrs J as a day-patient and covered this (subject to the excess payable under the policy). However, I'm satisfied that Mrs J attended out-patient consultation appointments with the consultant pre- and post-surgery. And I'm satisfied that AXA has fairly concluded in the circumstances of this case that the costs of these aren't covered under the policy terms.

My final decision

I don't uphold Mr and Mrs J's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs J to accept or reject my decision before 12 April 2024.

David Curtis-Johnson

Ombudsman