

The complaint

Mr B and Mrs S have complained that Health Shield Friendly Society Limited ('Health Shield') has unfairly declined Mr B's claims.

What happened

Mrs S has a health cash plan, through her employer, with Health Shield.

In May 2023, she contacted Health Shield to add her partner Mr B to her cover. Health Shield asked Mrs S to complete an application form and return it for processing. Mrs S sent the fully completed form to Health Shield on 17 July 2023.

Mrs S made claims for treatment Mr B had after the 17 July 2023, but Health Shield rejected these on the basis that his cover didn't start until 1 August 2023. Mrs S says she wasn't made aware of this and when she checked the account online her partner's 'pending' status had been removed so she was under the impression that he was covered.

Mrs S made a complaint and unhappy with Health Shield's response, referred her complaint to the Financial Ombudsman Service. Our investigator didn't think Health Shield had done anything wrong as it hadn't confirmed Mr B would be covered until August 2023.

Mrs S disagreed and asked for an Ombudsman's decision. In summary, she said there was nothing to stop her from making a claim on the online portal after the pending status was removed and she wasn't told she had to wait until August 2023.

So the case has been passed to me for 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.

Having done so, whilst I can see why Mrs S thought Mr B was covered, I don't think this complaint should be upheld. I'll explain why.

- The relevant rules and industry guidelines say an insurer should handle claims promptly and fairly. And shouldn't unreasonably reject a claim.
- The policy confirms: *"To make claims for a partner, you must be contributing to the plan at the rate that covers you and your partner..."*
- Mrs S didn't pay for her partner's cover until her August payroll. So I don't think it's unfair for Health Shield to reject the claims made.
- Mrs S says had she been told by Health Shield at the time of application that her partner wouldn't be covered until the next payroll date, she wouldn't have booked treatments for him in July. She was trying to make the most of the policy benefit year

which ran from August to the end of July each year.

- I've considered this carefully and whilst I can see why Mrs S thought her partner was covered from 17 July 2023, she didn't actually receive any notification from Health Shield or confirmation that he was covered until August. I understand the 'pending' status was removed but Health Shield has explained this was because the application form had been sent back and they were no longer waiting for it. This doesn't mean that Mr B was covered from that point. He wasn't covered until 1 August which was the next available date.
- I think Mrs S could have called or emailed to check whether Mr B would be covered from 17 July. I think the policy terms are clear that she can only make a claim for her partner if she is contributing at the appropriate rate. As Mrs S wasn't making contributions to her plan for her partner until August, I don't think it's unfair for Health Shield to reject any claims from July 2023.
- Health Shield sent confirmation documents to Mrs S in August to confirm Mr B was covered as of 1 August 2023. I appreciate Mrs S didn't receive this paperwork until after the treatment. But I don't think it was reasonable to assume that Mr B was covered from 17 July 2023 without checking with Health Shield, in the absence of any written confirmation from it.

My final decision

For the reasons set out above, I don't uphold this complaint.

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

Shamaila Hussain
Ombudsman