

The complaint

Mr N complains that BUPA Insurance Limited ('Bupa') closed his cash plan insurance policy.

What happened

Mr N held a cash plan with Bupa which started in 2004. The plan allowed Mr N to claim cash back if he had private medical treatment.

On 30 August 2023, Bupa wrote to Mr N to say it was going to close the plan on 17 October 2023. It said he could claim for eligible treatment on or before that date. It also asked him to cancel his direct debit after his September premium had been paid.

Mr N contacted Bupa on 18 September 2023 to say his direct debit date had been on 1 September 2023. He was told his policy would therefore end on 30 September 2023. Mr N didn't agree as the letter he had received said it would end on 17 October 2023. Mr N was unhappy the plan was being closed, but he didn't want to make a complaint at the time.

Mr N then decided to make a complaint, and brought the matter to the Financial Ombudsman Service.

Our investigator didn't recommend the complaint be upheld. Whilst she acknowledged Bupa had got the end date of the cover wrong during the call, she thought Bupa had been entitled to close the plan and that Mr N had been given sufficient notice of this.

Mr N didn't accept our investigator's findings, and so the matter has been passed to me for a 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.

This is a monthly rolling contract with no specific end date. However, the policy terms in force at the time said that Bupa could make changes with 30 days' notice. It gave some examples of changes - amount of premium and when it should be paid, benefits, and terms and conditions of membership. Although it didn't specifically give closing the plan as an example, I'm satisfied this would still be considered a change to the policy that Bupa was entitled to make.

The policy also said that if the insured didn't accept any changes Bupa made, they could end their membership.

Bupa made the decision to discontinue this particular plan from the market. It explained to Mr N it had made that decision because it found there had been low demand for the cover in recent years, and that if it continued to offer it, then price increases could make it unaffordable. That was a commercial decision made by Bupa and I can't interfere with this.

I'm satisfied that Bupa gave Mr N over 30 days' notice of its intention to close the plan, and therefore it complied with the policy terms. Although Mr N didn't want to accept this change, the only alternative was for him to end the membership. Either way, his cover would end.

Mr N says that Bupa gave him the wrong information about the end date when he called it on 18 September 2023. We don't have a copy of this call, though I have read Bupa's call notes. Bupa hasn't disputed what Mr N has said, so I'll assume this is correct. Although Bupa got the end date of the plan wrong in that call, I don't think this particularly impacted Mr N. He was already aware it would end on 17 October 2023, and didn't rely on the wrong information Bupa gave him in the call to his detriment.

Whilst I appreciate Mr N was disappointed with Bupa's decision to close the plan, I find it was entitled to do this, and it didn't treat him unfairly.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 23 April 2024.

Chantelle Hurn-Ryan
Ombudsman