

The complaint

Miss D and Mr H have complained that AXA PPP Healthcare Limited trading as AXA Health ('AXA') provided unclear information when selling a policy.

All reference to AXA includes any agents acting on its behalf.

What happened

Mr H called AXA as he was due to retire and asked about continuing with his private medical insurance policy by switching to a personal policy, underwritten by AXA.

He was asked some questions about treatment in the last 12 months. Mr H answered 'no' to the medical questions accurately. But he didn't call AXA at a later stage to tell them he had seen his GP and had been referred for blood tests - after the sales call, but before the start date of the new policy.

Mr H says AXA didn't make it clear that he needed to tell them about any GP visits as they had referred to specialists only and had specifically mentioned any doctor who wasn't his GP.

As a result of the blood tests, AXA added an exclusion and removed Mr H's no claims discount protection.

Unhappy, Mr H complained. AXA looked into the complaint but didn't think the policy had been mis-sold. Mr H referred his complaint to the Financial Ombudsman Service.

Our investigator looked into the complaint and said Mr H was asked to let AXA know about any changes before the policy started but he didn't do so. And had he done so, it wouldn't have offered him the option to protect his no claim discount and would have applied an exclusion. So she didn't uphold the complaint.

Mr H disagreed and said AXA did not tell him to let them know about any GP appointments and also failed to explain his type of underwriting (medical history disregarded) properly.

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, I don't think this complaint should be upheld. I'll explain why.

The background to this matter is well known to both parties and so I won't repeat it here. Instead, I will focus on what I consider to be key to my conclusions.

Mr H is unhappy about losing the protection of his no claims discount and also AXA's explanation about his type of underwriting.

The sales call and the no claims discount protection

When Mr H called to ask about changing to a personal policy on the same terms as his previous group policy, he was asked some medical questions relating to treatment within 12 months by specialists and any treatment, consultations, investigations or diagnostic tests planned or pending treatment, including medication prescribed by a specialist.

Mr H correctly answered these questions as he hadn't seen a specialist within the last 12 months and also didn't have any planned or pending treatment at the time of the call. His policy wasn't due to start until the end of the month. During the sales call, the adviser said Mr H should let AXA know if his answers to the questions changed, before his policy started.

As Mr H saw his GP after this call but before the start of the policy, he should have told AXA about this as his GP had requested blood tests and this would now fall under 'investigations'. Mr H said he wasn't told he needed to call AXA about any GP appointments as it had only asked about specialists.

Having listened to the call carefully, I can see why Mr H would think that he would only need to call AXA about any treatment or consultations with a specialist as the adviser placed so much emphasis on this at the beginning of the call. However, he did go on to ask about 'any' treatment...including medication prescribed by a specialist. I think this is ambiguous and can either mean AXA only wanted to know about medication prescribed by a specialist or that everything mentioned by the adviser related to a specialist only.

It's clear Mr H thought he was only being asked about anything relating to a specialist and so I can understand why Mr H didn't call AXA when he was referred for blood tests by his GP.

I've thought about whether this confusion caused any detriment or loss to Mr H. AXA has explained that had Mr H called and told them about his blood tests, it wouldn't have offered him the option to protect his no claims discount and would have added an exclusion relating to the investigations following the blood tests. This always would have happened so Mr H hasn't lost out by AXA's ambiguous question during the sales call.

So although I agree with Mr H that he wasn't specifically and clearly told to call AXA if he saw his GP for tests or investigations, he is still in the same position in relation to his policy as he would have been in, had AXA made this clear.

Mr H's type of underwriting

Mr H's membership certificate confirms his policy has "...been issued as a continuation option from your previous group policy and is medical history disregarded."

It also says: "The following additional terms have been applied for the condition/symptoms that have not fulfilled the criteria of the questions asked at the time of transfer. No benefit is payable for any investigations and treatment related to Vitamin D deficiency..."

AXA explained that Mr H could continue with his 'medical history disregarded' based on his previous group policy. This means he is covered for any pre-existing medical conditions that he may have claimed for on his previous policy. But this is subject to the additional medical questions asked by AXA at the time of the sales call. The questions AXA asked Mr H determine whether they would add any exclusions at the point he transferred for anything which occurred within the last 12 months or for any planned or pending investigations or treatment.

AXA can decide to ask additional medical questions at the time of the switch to decide how

much to charge and this isn't unusual in these types of policies, when switching from a group to a personal policy. So overall, I am satisfied that AXA has confirmed the underwriting which applies to Mr H. But I agree it could have been more helpful in explaining this to him.

Overall, I don't think the policy was mis-sold or that the no claims discount protection was wrongly removed. So I won't be asking AXA to do anything further.

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 Miss D and Mr H to accept or reject my decision before 25 April 2024.

Shamaila Hussain
Ombudsman