

## **The complaint**

Ms G complains that Usay Business Limited trading as Usay Compare (Usay) mis-sold her private medical insurance policy.

## **What happened**

Ms G purchased a private medical insurance policy with Usay. The policy started on 17 April 2021. It was taken out on a moratorium basis and the monthly premium was £153.13.

Ms G wanted to make a claim on her policy and contacted her insurer. She was given a choice of hospitals from the 'Expert Select' hospital list. But Ms G was unhappy about these as she wanted to see a specialist that was within her local area. The insurer said she could only choose from the hospital list as stated in her policy terms and conditions.

Ms G says she's unhappy with Usay because:

- The 'Expert Select' hospital list wasn't explained to her at the point of sale.
- She was misinformed about the selection of hospitals in her local area as the insurer recommends hospitals only outside of the area she lives.
- She was not informed about the hospital list when she took the policy out and that she would be unable to choose the specialist that suits her.
- Given that Usay said when she makes a claim, there will a choice of hospitals and that most will be local to her, she can't understand why her complaint wasn't upheld as all the hospitals are far from her local area and inconvenient.

Ms G says she's never made a claim and she should therefore be refunded the premiums she's paid so she can take out a new policy that suits her needs.

Ms G made a complaint to Usay. It issued a final response on 19 January 2024 and said the advice given to Ms G was in line with what's expected. The advisor accurately explained the 'Expert Select' hospital list at the point of sale and post-sales literature was sent to Ms G that provided further clarification. She had a 14-day cooling-off period also but didn't raise any issues at the time of the sale or following the policy documentation that was sent to her.

Unhappy with Usay's response, Ms G brought her complaint to this service. Our investigator didn't uphold it. He thought Usay hadn't mis-sold the policy to Ms G. He'd listened to the calls Ms G had with Usay when she took the policy out and also reviewed the post-sales literature and the policy documents that were sent to her at the time. He said Ms G also had the option of cancelling her policy within the 14-day cooling-off period. Our investigator didn't agree that the policy was mis-sold to her.

Ms G disagreed and asked for the case 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. I'll explain why below.

Ms G first enquired about the policy through an online price comparison website. Usay then contacted Ms G and went through the information, and it recommended a moratorium policy. So, the policy was purchased based on the advice given by Usay.

The insurance industry regulator, the Financial Conduct Authority ('FCA'), has set out rules and guidance for insurers in the 'Insurance: Conduct of Business Sourcebook' ('ICOBS'). ICOBS states that the seller (Usay, in this case) needs to make sure the policy is right for the consumer.

I've started by listening to the calls Ms G had with Usay on 8 April 2021, 13 April 2021 and 14 April 2021.

On 8 April 2021, Ms G said she was primarily looking for an alternative policy as the current one was expensive. Options regarding different providers were discussed and Usay went through a series of questions and based on the answers Ms G provided, Usay recommended this policy which was with a different provider. It sent Ms G an illustration of the potential new policy.

On 13 April 2021, Ms G called to discuss the policy. Amongst other things, the advisor confirmed that Ms G would be on the 'Expert Select' hospital list and said this was a new option. Ms G confirmed that it was the 'Expert Select' and that they'd gone through the hospitals so that should be alright.

14 April 2021 – Ms G said she had cancelled the policy with her provider, and she wanted to go ahead with the policy she had been quoted. The discussion went through detail about the policy, the excess, the out-patient benefit and the cost. The advisor explained that Ms G had the 'Expert Select' hospital list which is where they would give Ms G a choice of five hospitals in her area that specialise in whatever the condition is and a choice of consultants at those hospitals too. Ms G didn't ask any further questions and the discussion moved on.

Following the call on 14 April 2021, post-sales literature was sent to Ms G which included a welcome letter, a key facts document, Usay's terms of business and a demands and needs statement which confirms why the policy was recommended and a document which provided information on the 'Expert Select' hospital list.

The welcome letter stated that if Ms G had any questions about any of the policy information that was sent to her or she needed to make any amendments, she could contact Usay. And the hospital list provided all the information about the choice of hospitals and how this would work on Ms G's policy.

Ms G was provided a 14-day cooling-off period in case she changed her mind or needed to amend her policy.

I can't see that Ms G contacted Usay about her policy following the sale in April 2021.

Ms G's main concern is that she can't access the specialists in the hospitals that are in her local area. Her policy provides cover for treatment at a hospital from a chosen list of hospitals recognised by the insurer. I note that Ms G expressed her dissatisfaction when she

needed to make a claim. She wanted to go to a hospital that was within her local area and while the insurer provided a choice of hospitals within a thirteen-mile radius, she wanted the choice of a closer hospital.

I appreciate that Ms G is frustrated and unhappy that she can't choose a hospital that's closer in distance than the choices she's been provided. But having carefully considered all of the information and listened to the call recordings, I'm not persuaded that Usay sold her a policy that wasn't suited to her needs.

Primarily, I understand Ms G wanted to move from her provider at the time because of its cost. In discussing her needs with Usay over three telephone calls, Usay went through her options in detail and Ms G accepted the current policy which she ultimately took out. I haven't seen any evidence that Ms G discussed the hospital list in any detail with the advisor and she didn't follow-up with any specific questions about the hospital list following the policy documentation that was sent to her. Usay provided all of the information to her about the policy she was taking out and once she'd purchased it, the insurer also sent her the full policy documents.

I haven't seen anything that persuades me Ms G had a specific requirement regarding hospital and that she made Usay aware of this. While I understand she now believes that having a hospital in her immediate local area is a requirement for her, this doesn't necessarily mean that Usay did anything wrong when she took the policy out in 2021. Having considered everything, I'm satisfied that Usay followed the correct procedures when it sold the policy to Ms G.

I do understand that Ms G will be disappointed. But, taking everything into account, I'm not persuaded that Usay mis-sold the private medical insurance policy to her. It follows therefore that I don't think Usay needs to do anything further.

### **My final decision**

For the reasons given above, I don't uphold Ms G's complaint about Usay Business Limited trading as Usay Compare.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G to accept or reject my decision before 4 September 2024.

Nimisha Radia  
**Ombudsman**