DRN-4839329

The complaint

Mr M is unhappy with his private medical insurance with BUPA Insurance Limited (BUPA).

What happened

Mr M has a private medical insurance underwritten by BUPA. The policy has been in place since 2004.

In 2022 BUPA changed the wording in their policy terms regarding the cover they provide for expected flare-ups of chronic conditions.

In February 2024 Mr M contacted BUPA to authorise an appointment about a flare up of his ulcerative colitis condition. BUPA explained that expected flare up of chronic conditions aren't covered by the policy anymore, but as this was his first time contacting them since they'd made this change, they agreed to provide a 90-day grace period and cover for his treatment during this time.

Unhappy with this, Mr M referred the matter to this service. He didn't think it was fair for BUPA to remove cover that was previously in place for his chronic condition. He explained he's now unable to get cover elsewhere because his condition would be deemed pre-existing.

Our investigator looked into what had happened and said she didn't think BUPA had acted unreasonably. Mr M disagreed. In summary he said:

- When he took out the policy, he wasn't made aware that any new conditions may not be covered in future
- No other health insurance providers that have taken this approach with his type of condition
- It's unfair an insurer can make a change in policy that has such severe impact on their members
- It is impossible for him to find cover elsewhere because it will be classified as a pre-existing condition under a new policy

The case as passed to me to decide.

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.

The relevant rules and industry guidelines say that BUPA has a responsibility to handle claims promptly and fairly. And they shouldn't reject a claim unreasonably.

Mr M is unhappy that his policy terms have changed, and he is no longer able to receive cover for expected flare ups of the long term chronic condition he suffers from. It's clear this change has caused him significant worry and upset - his policy has been in place a long time

and it used to provide cover for his condition, so I can understand why this change would be so impactful to him. My role is to consider if BUPA have treated him unfairly.

Mr M's policy was annually reviewed, so he received new policy documentation each year which replaced the previous terms of his policy. This means that even though a condition is covered at the start of a policy, it doesn't automatically follow that cover will remain the same each year.

In 2002 the policy terms for chronic conditions were updated to say:

"We do not pay for treatment of chronic conditions. By this, we mean a disease, illness or injury which has at least one of the following characteristics:

- *It needs ongoing or long-term monitoring through consultation, examinations, check-ups and/or tests*
- *It needs ongoing or long-term control or relief of symptoms*
- *It requires your rehabilitation or for you to be specifically trained to cope with it*
- *It continues indefinitely*
- *It has no known cure*
- *It comes back or is likely to come back"*

"Exception: We pay for eligible treatment arising out of a chronic condition, or for treatment of unexpected acute symptoms of a chronic condition that flare up. However we only pay if the treatment is likely to lead quickly to a complete recovery or to you being restored fully to your previous state of health, without you having to receive prolonged treatment….
We do not pay for treatment required due to the expected deterioration or flare up of a chronic condition. This includes conditions which have a relapsing-remitting nature and require management of recurrent flare-ups, for example, inflammatory bowel disease. In such cases, the flare-ups are an expected part of the normal course of the illness and therefore we do not consider them as acute complications of the disease."

So from 2022 BUPA only provided cover for unexpected acute complications of a chronic condition if treatment would lead to a complete recovery. But they didn't offer any cover for flare-ups expected as part of a condition of a relapsing and remitting nature. Given the recurring nature of Mr M's lifelong condition, and the absence of evidence that the treatment Mr M received would lead to his complete recovery, I don't think it was unreasonable for BUPA to say his claim for a flare up wasn't covered.

As 2024 was the first time Mr M claimed for his chronic condition since the change in cover was implemented, BUPA gave him a 90 day grace period and agreed cover for his consultant appointment and treatment. This meant Mr M was able to receive initial treatment under the policy that he wasn't actually entitled to (under a strict application of the new policy terms). And it gave him reasonable time to consider alterative options, including treatment outside of the private sector. So I think BUPA treated him fairly.

Mr M is also unhappy BUPA only covered part of the consultant fees. The terms of the policy state:

"We do not pay for any of your treatment if the consultant who is in overall charge of your treatment is not recognised by Bupa"

Mr M's consultant isn't BUPA recognised. However, as an exception, BUPA agreed during the 90 day grace period to provide cover up to benefit limits. It was fair for BUPA to step aside from a strict application of the terms again here and reasonable for them to provide the

same level of cover they would've provided for a BUPA recognised consultant in line with the benefit limit. It would be unfair to expect them to pay for the full fees for a consultant that isn't recognised under their policy.

Mr M feels strongly that its unfair for BUPA to withdraw cover for flare-ups of his chronic condition after his policy has been in place for 20 years, and the condition was previously covered. I appreciate his frustration and disappointment at BUPA's change of risk here and I understand the difficult position he's found himself in where he is now unable to obtain private medical cover for his condition elsewhere, because it will be classed as pre-existing. But that isn't something I can reasonably hold BUPA accountable for.

All insurers are entitled to decide what risks they choose to cover. It's not unusual for medical insurers to make changes to their policy terms at renewal and offer different levels of cover from when the policy was first taken out. So I don't think BUPA acted unfairly when they changed their appetite of risk for chronic conditions.

However, it's important that Mr M was made aware any key changes to the coverage of his policy. BUPA have advised the change in cover for chronic conditions with a remitting nature was first communicated to Mr M in 2022. So I've looked at the policy documents issued to him at renewal that year. There was a document entitled '*Important information. Changes to your Bupa Personal health insurance.'* which stated:

"*Exclusion 6 Chronic conditions*

We have amended the wording to the exception of this exclusion to clarify that we do not pay for treatment of a deterioration or flare up of a chronic condition when it is an expected part of the condition."

I'm satisfied this makes it sufficiently clear that there has been a change to his policy in relation to coverage for flare ups of a chronic condition.

Mr M also received membership welcome letters in February 2022 and 2023. The letters remind him to check that the level of cover provided by the policy was still suitable for him. And the policy terms and conditions issued at the renewal on both years confirm that there is no cover for treatment of chronic conditions. So taking all this into account I think BUPA did enough to have brought the changes to Mr M's attention at the point of the renewals. It was Mr M's choice to continue with the policy at that stage so I'm unable to say BUPA treated him unfairly.

Summary

I'm sorry to disappoint Mr M, I do understand the difficult position he's in as his condition would now be considered pre-existing under a new policy. I appreciate the stress and worry this change in cover has caused him. But as explained above, this isn't something I can hold BUPA accountable for because they're entitled to change the risks they want to cover and I don't think what they have done here is unfair.

Having carefully considered everything, there aren't any reasonable grounds upon which I could fairly ask BUPA to do anything further here than the cover they provided during the 90 day grace period they gave Mr M.

My final decision

For the reasons set out above I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 27 October 2024.

Georgina Gill
Ombudsman