

The complaint

Mr W is unhappy with the way AXA PPP Healthcare Limited trading as AXA Health ('AXA') handled his claims.

What happened

Mr W has a private medical insurance policy, underwritten by AXA. He submitted a claim for treatment (which I will refer to as claim 75) that had been authorised but complained when AXA said it could not reimburse him in excess of the outpatient limits.

AXA responded to Mr W's complaint but didn't think it had done anything wrong in relation to outpatient limits. However, it realised it had made a mistake for a subsequent claim (which I will refer to as claim 76), which it then paid.

Unhappy, Mr W brought his complaint to the Financial Ombudsman Service.

Our investigator looked into the complaint and found that AXA had caused Mr W distress and inconvenience in relation to claim 76 and recommended it pay £100 compensation. But he didn't think it had made a mistake in relation to claim 75 and the outpatient limit.

Both AXA and Mr W disagreed with the investigator. AXA didn't think compensation was due as it did not think the impact of the complaints should be cumulative. Mr W didn't agree and said AXA should pay the full amount for claim 75 in the same way it had done for previous treatment he had relating to his kidney.

And 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 uphold this complaint, in part, and agree that AXA should pay Mr W £100 compensation for the distress and inconvenience caused to him in relation to claim 76. I'll explain why.

The background to this matter is well known to both parties and has already been set out in detail by the investigator. I have carefully considered everything both sides have said but in my decision, I will summarise and focus on what I consider to be key to my conclusions.

- The relevant rules and industry guidelines say an insurer should handle claims promptly and fairly. And shouldn't unreasonably reject a claim.
- Mr W is unhappy that claim 75 wasn't paid.
- AXA authorised treatment for Mr W and at the same time, clearly told him what the policy limits were and confirmed the remaining outpatient benefit for the year.
- By the time Mr W had his follow up tests, he had reached his limit for outpatient benefit so claim 75 wasn't paid.

- AXA didn't make a mistake and had sent Mr W a clear indication of his remaining outpatient allowance prior to treatment and so I don't think it did anything wrong.
- Mr W has asked why previous treatment relating to his kidney was paid and how claim 75 was any different. Having looked at the invoice, Mr W still had quite a large amount of his outpatient allowance remaining when he had previous treatment. So this would explain why previous claims were paid. As he hadn't used his full outpatient allowance at the time.
- However, I do think AXA caused Mr W distress and inconvenience when it was responding to his complaint. It had noticed that it had made an error by failing to pay claim 76. And so it confirmed it would pay this. It didn't think any compensation was due as it had already paid a total cumulative amount of £150 compensation for previous complaints.
- Our investigator didn't think this was reasonable. He said AXA should have done more to ensure it was paying claims promptly and fairly. And for Mr W, this further error would have caused distress and inconvenience.
- I agree that finding out about AXA's error would have caused frustration especially due to his previous experience. Mr W was clearly unhappy that he was having to raise numerous complaints and although AXA dealt with and fixed the error in relation to claim 76 before Mr W had an opportunity to complain, I would expect it to consider the impact this would have on Mr W, taking into account his previous poor experience and how a further mistake might impact him.
- I think £100 compensation is appropriate taking into account that the matter wasn't long lasting and AXA did acknowledge and rectify its error as soon as it came to light.

My final decision

For the reasons set out above, I uphold this complaint in part and direct AXA PPP Healthcare Limited trading as AXA Health to pay Mr W £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 23 January 2025.

Shamaila Hussain
Ombudsman