

The complaint

Mrs T complains BUPA Insurance Limited unfairly declined her claim for treatment.

What happened

Mrs T held a private medical insurance policy underwritten by BUPA, which she took out through a broker in July 2023. The policy does not provide cover for pre-existing conditions, which are defined as follows.

*“Pre-existing Condition
any disease, illness or injury for which in the seven years before your Effective
Underwriting Date:*

- you have received medication, advice or Treatment, or*
- you have experienced symptoms,*

whether the condition was diagnosed or not.”

In October 2023, Mrs T contacted BUPA for authorisation of treatment for her left leg. BUPA requested that Mrs T's GP fill out a medical questionnaire.

There was a delay in BUPA assessing the information provided by the GP. Initially BUPA said it hadn't received the questionnaire, although Mrs T's GP said it had been sent. BUPA requested this again in mid-November 2023. It received the information and assessed it in mid-December. However BUPA later discovered it held a copy of the questionnaire bearing a date stamp of 27 October 2023. BUPA was unable to explain what had happened, but accepted it had received the original questionnaire from the GP on 27 October 2023.

The questionnaire completed by Mrs T's GP stated her symptoms were first reported / treated in 2022. After review, BUPA declined the claim, as it said the condition Mrs T was seeking treatment for was pre-existing and so excluded from cover.

Mrs T complained to BUPA about the delays in authorising her treatment. She said her symptoms were not pre-existing and thought her policy had been mis-sold.

BUPA responded to the complaint. It said it thought it had been correct to decline the claim based on the information supplied by Mrs T's GP about the history of her symptoms. However as Mrs T disputed this and thought there had been an error, BUPA said it would contact her GP again for more information, and would reconsider cover based on the information supplied.

BUPA apologised for the delays in assessing the information supplied by the GP in October 2023, and paid £100 in compensation.

Unhappy with the response, Mrs T brought her complaint to this service.

BUPA reviewed the complaint again and advised this service it wanted to increase its offer of compensation from £100 to £500. It said it caused an additional, as it could have contacted Mrs T's GP again when the complaint was received, but it delayed doing this until 19 January 2024.

An investigator here looked into what had happened and said they thought BUPA had caused avoidable delays and the offer of £500 was fair.

BUPA didn't make any comment on the view. However Mrs T disagreed and asked for a decision from an ombudsman. So, the case has been 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.

Firstly, I should clarify that within this decision I will be focusing on the events which took place up until January 2024. I'm aware a further review of the claim took place after this time, but I can only fairly assess BUPA's actions up until the point BUPA issued its final response to the complaint.

Mrs T also complained that her policy had been mis-sold and requested a refund of her premiums. The policy was sold by a broker, and I note BUPA confirmed it had passed the complaint on to them. As BUPA wasn't responsible for the sale, I won't be commenting on this any further in this decision.

I've looked at the relevant rules and industry guidelines, which say BUPA has a responsibility to handle claims promptly and fairly and shouldn't reject a claim unreasonably. Having done so, I think BUPA has acted unfairly, and I'll explain why.

Delays

BUPA accepted it caused delays in handling the information Mrs T's GP supplied within the medical questionnaire in October 2023. It said it also delayed contacting the GP again following the complaint, and offered a total of £500 in compensation.

I've considered the impact the delays had on Mrs T. I appreciate it would have been frustrating and inconvenient for her to have to chase her GP after being advised the questionnaire had not been received in November 2023. And, I'm aware she was in need of treatment and had to cancel her appointment with a consultant whilst awaiting authorisation.

BUPA's error handling the original submission from the GP added a delay of around six weeks. And BUPA has said it caused a further delay of around four weeks during December 2023 and January 2024, as it didn't contact the GP again straight away after Mrs T advised the symptom dates and information were incorrect. This added a further wait for Mrs T at a time when she was already distressed and had been waiting some considerable time for authorisation of her treatment.

Overall I think BUPA's increased offer of £500 in total compensation fairly reflects the distress and inconvenience caused to Mrs T.

Declinature of the claim in December 2023

I've also considered whether BUPA fairly declined the claim in December 2023. Whilst I'm aware Mrs T has since said the GP made an error, I don't find it unreasonable for BUPA to have relied on the information provided in the original medical questionnaire, to assess the claim. The GP had stated Mrs T's symptoms in her left leg began in 2022. And as pre-existing conditions within the seven years prior to the policy being taken out are excluded from cover, I don't think the claim was unfairly declined.

After Mrs T told BUPA she thought there had been an error in the medical information supplied, it agreed to contact her GP further, and said it would review the claim again. I think this was fair and is what I would expect an insurer to do in these circumstances.

My final decision

For the reasons I've given, I think BUPA Insurance Limited's offer is fair and reasonable in all the circumstances. So my final decision is that I direct BUPA Insurance Limited to pay Mrs T £400. This is in addition to the £100 it has already paid, so the total compensation amount is £500.

BUPA Insurance Limited must pay the compensation within 28 days of the date on which we tell it Mrs T accepts my final decision. If it pays later than this, it must also pay interest on the compensation, from the date of my final decision to the date of payment, at 8% simple. Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 22 October 2024.

Gemma Warner
Ombudsman