

The complaint

Ms M complains about AXA PPP Healthcare Limited's handling of her private medical insurance claim.

What happened

Ms M is covered under her husband's employer's private medical insurance scheme. The policy year runs from 1 February to 31 January, and an excess of £200 is payable per person, per policy year.

In November 2023, Ms M made a claim for counselling. AXA accepted the claim and authorised 20 sessions. The invoices were submitted to AXA, and it covered these after the £200 excess had been deducted.

In January 2024, Ms M contacted AXA as she wanted to see an ear, nose and throat (ENT) specialist. AXA explained that the policy renewed in February 2024, and if any treatment went into the following policy year, the excess would again be payable. Ms M was confused about how the excess worked. She wanted to see the policy terms, but couldn't access this document on AXA's portal, and also couldn't see her claims information. Once she was able to access her claim information, the statements had been duplicated, which Ms M found confusing.

Ms M complained to AXA about the excess, and that she hadn't been able to access the policy document and her claims information. She also complained that AXA had arranged an appointment with an ENT specialist when she hadn't asked for this.

AXA issued its final response to the complaint. It said the fact the claims hadn't been available to view was due to an IT issue, and then the duplicate claims had been a technical error. It accepted that the previous year's policy document ought to have been provided to Ms M. AXA apologised for booking the appointment with the ENT specialist and paid Ms M £100 compensation for this. Unhappy with AXA's response, Ms M brought a complaint to this service.

Our investigator recommended the complaint be upheld. She thought Ms M had been particularly impacted by AXA's errors, and recommended it pay Ms M a further £200 compensation.

AXA didn't agree with our investigator's recommendation, and so the matter has been passed to me for a 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.

Ms M says she thought the £200 excess would be payable once she'd exceeded the 20 counselling sessions. She says she had to work out how the excess applied by herself, as AXA caused unnecessary confusion around this.

When Ms M initially called AXA in November 2023, she wanted to make an appointment through the Stronger Minds pathway. AXA's adviser was able to arrange for her to speak with a counsellor through Stronger Minds immediately for an assessment, but explained that there would be a £200 excess payable once treatment started. The adviser said that AXA would be invoiced directly, and it would let Ms M know what she needed to pay as part of the excess. The adviser confirmed the maximum Ms M would pay for the excess in one year was £200, regardless of how many claims were made. Ms M appeared to understand, and didn't ask any further questions about this.

I've checked the policy terms, and these say that counselling arranged through Stronger Minds isn't subject to an excess. So it seems AXA gave Ms M the wrong information here about the excess.

However, matters then moved on. Ms M had an assessment with Stronger Minds but didn't feel comfortable continuing with them. She went back to AXA and asked for an alternative way of obtaining treatment. AXA explained the other option was to obtain a GP referral and then find a therapist recognised by AXA. Ms M wanted to take this option. That meant the excess would apply and the first £200 of treatment each policy year would need to be covered by Ms M.

AXA could have explained how the excess worked again to Ms M at this point, though she had already been made aware how it worked. Although I've found the excess didn't actually apply to Stronger Minds counselling, it's also the case that Ms M ended up not having the counselling through them. So she was inadvertently given the correct information about the excess and how this applied to the treatment she ended up having. I don't know for certain what Ms M would have done if she'd known there was no excess if she'd had the counselling through Stronger Minds. Though given that she was so reluctant to continue with treatment via the Stronger Minds pathway, I think it's likely she would have still opted for the GP referral and choosing her own therapist. Therefore, she would have always needed to pay the excess.

Ms M explains she still didn't understand how the excess worked after she spoke with AXA in January 2024, so she wanted to see how it was explained in the policy terms.

Unfortunately, the policy document wasn't available on the portal at the time as the policyholder (Ms M's husband's employer) and AXA were in negotiations about the cover for the following policy year. However, AXA accepts the policy document for the policy year 2023/2024 should have been provided to Ms M.

Ms M also wanted to see her benefit statements on the portal, to see what invoices had been submitted. Again, these weren't available on the portal, which AXA put down to an IT issue. I've looked at the benefit statements and these confirm the cost of treatment Ms M had had, what AXA had paid, and any contribution Ms M needed to make towards the treatment herself (for the excess). So it's unfortunate that she couldn't access the benefit statements, as these would have likely cleared up much of her confusion.

When AXA resolved the issue and Ms M was able to view the benefit statements on the portal, these were duplicated. Ms M explained to AXA how confusing she found this and that she needed someone to clarify what claims had been made. AXA said this was due to a technical error.

AXA did try and explain how the excess worked in writing for Ms M. AXA also confirmed the number of invoices received from Ms M's therapist, and that the £200 excess had been deducted from the first three invoices it had received (and that she should pay the excess directly to her therapist). Though I understand Ms M's therapist ended up deciding not to invoice her for the excess in the 2023-24 policy year.

As Ms M was confused about her excess and claims, she decided not to go ahead with an appointment with an ENT specialist, and instead only wanted the names of specialists. However, AXA still went ahead and arranged an appointment for her.

Ms M was understandably confused when she received confirmation of a medical appointment she hadn't asked for, and at a date and time she hadn't chosen. She contacted the clinic and found out that AXA had wrongly arranged the appointment for her. After Ms M raised this with AXA and established what had happened, she had to again contact the clinic to cancel the appointment as AXA couldn't do this for her.

It seems to me that AXA made several errors over the course of Ms M's claim. AXA didn't explain that an excess wouldn't be payable for counselling arranged through Stronger Minds. It then didn't provide Ms M with a policy document even though it accepts it ought to have done. Ms M initially couldn't access her benefit statements even though she should have been able to, and when she could access them, they weren't clear because of the duplicates. AXA then arranged a medical appointment that Ms M didn't want, and provided the clinic with Ms M's name, address and date of birth. Ms M was caused unnecessary confusion here, and had to make three phone calls to AXA and the clinic to find out what had happened and then cancel the appointment.

Ms M has provided an email from her therapist explaining how she was impacted by AXA's errors, and this led to our investigator recommending that AXA pay a further £200 compensation. AXA says it isn't willing to accept a letter written after this service had concluded our investigation, and points out the letter from the therapist isn't on headed paper and isn't signed.

Our investigator's initial findings were informal, and a consumer can provide further evidence up to the point a final decision is made. I've no reason to doubt the validity of the therapist's email and I'm surprised by AXA's stance on this matter. It's clear that Ms M has been affected by AXA's errors as this led to her experiencing anxiety which her therapist had to help her with, and so I agree with our investigator that AXA should pay her a total of £300 compensation (including the £100 already paid) to recognise the impact to her.

My final decision

My final decision is that I uphold this complaint. I require AXA PPP Healthcare Limited to pay Ms M £200 compensation (in addition to the £100 compensation already paid).

AXA must pay the compensation within 28 days of the date on which we tell it Ms M accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 15 January 2025.

Chantelle Hurn-Ryan
Ombudsman