

The complaint

Mrs H unhappy that The Royal London Mutual Insurance Society Limited didn't cover a terminal illness claim under the life insurance policy she held jointly with Mr H.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. I'll focus on giving the reasons for my 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.

Royal London has an obligation to handle insurance claims fairly and promptly. And it mustn't unreasonably decline a claim.

The relevant terms and conditions of the policy

The policy terms and conditions say:

In the event that the Life Assured dies prior to the Benefit End Date or, subject to Condition 4.1.3, is diagnosed as having a Terminal Illness and where diagnosis is made at least one year before the Benefit End Date, then the Benefit Amount will become payable.

The policy schedule reflects that the benefit end date is 24 September 2021.

Terminal illness is defined as:

Advanced or rapidly progressing incurable illness where, in the opinions of an attending Consultant and the Chief Medical Officer, the life expectancy is no greater than 12 months.

Did Royal London act fairly and reasonably by not considering a terminal illness claim?

I know Mrs H will be very disappointed and I have a lot of empathy for her situation but for the reasons set out below, I don't uphold this complaint.

Mr H died after the policy ended so Mrs H wanted Royal London to consider paying the benefit amount under the policy on the basis that Mr H had been diagnosed with a terminal illness during the policy term.

It isn't disputed that Mr H was diagnosed with a medical condition in around 2015 and a letter from Mr H's professor of respiratory medicine dated August 2015 reflects that Mr H's condition was stable and respiratory muscle strength was completely normal at the time.

Mrs H has also provided an email from Mr H's consultant respiratory physician dated November 2023 (so after Mr H's death and after the date the policy ended) which in answer to questions put to them reflects that the condition Mr H was diagnosed with is "always terminal". But they also say that life expectancy is "not easily predictable"; it's different for all individuals. They also say that they can't comment in this case whether Mr H would've died "within a year of August 2019".

There's also another letter from Mr H's consultant respiratory physician from after his death which says that the condition Mr H had been diagnosed with can't be cured although treatments can be tried and can sometimes help.

As set out above "terminal illness" under the policy has a specific definition which needs to be met. And it's for the beneficiary of the policy to establish a valid claim.

I'm not persuaded that the medical evidence provided supports that there was any medical opinion from the attending consultant that Mr H had a life expectancy of less than 12 months at least one year before the end date of the policy (so before the end of September 2020).

Mr H did contact Royal London a few weeks before the end date of the policy to say that if he didn't try certain treatments, he would more than likely die within 12 months. He also said that he'd had the condition for some time, but it had got progressively worse over the last 12 months. I've seen no medical evidence which supports that was the case but even if that's right, that medical opinion was given within the last 12 months (and very shortly before the end) of the policy term.

So, under the terms of the policy, I'm satisfied that Royal London has fairly and reasonably concluded that the benefit amount isn't payable under the terms of the policy because Mr H wasn't diagnosed with a terminal illness as defined by the terms of the policy before the last year of the policy's 12-year term.

I've taken into account all points made by Mrs H including what she says about Mr H contacting Royal London in 2015 to tell it that he'd been diagnosed with his medical condition, and no one provided guidance or asked him to complete a claim form. I've seen nothing else to support that a call did place in 2015 and during the call Mr H had with Royal London in September 2021 he says that he didn't even know he'd taken out the policy. So, I think it's unlikely that a call did take place in 2015.

However, even if I'm wrong on that point and a call did take place along the lines Mrs H says in 2015, I've seen nothing which persuades me that if Mr H had made a claim at that time, or subsequently during the term of the policy, that a claim would've been successful. The available medical evidence doesn't support that he'd been diagnosed with a terminal illness as defined by the terms of the policy.

I've also looked at terms of the 'policy plus' terms and conditions and I'm satisfied that there's no benefit payable in the circumstances of this case under that policy.

Other issues

Mrs H says that she didn't give permission for Royal London to correspond with a friend of hers about the issues surrounding this complaint.

Royal London says that Mrs H called in October 2023 and gave it permission to speak with her friend and it was provided with her friend's email address to deal with the complaint that had been raised during the call. I note that the final response to the complaint was also sent to Mrs H's friend. I've seen no emails sent from Royal London to Mrs H's friend which don't

relate to the complaint raised and I've also seen nothing from the time from Mrs H objecting to her friend being emailed. If Mrs H hadn't given permission for Royal London to correspond with her friend, on the balance of probabilities, I think she would've most likely objected to this at the time.

Overall, I'm not persuaded that Royal London acted unfairly by corresponding with Mrs H's friend about the complaint in the circumstances of this case.

If Mrs H has any further concerns about whether Royal London has breached her data rights, she is free to contact the Information Commissioner's office.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 1 January 2025.

David Curtis-Johnson
Ombudsman