

The complaint

Mr and Mrs M are unhappy with AXA PPP Healthcare Limited's decision to decline their claim.

What happened

Mr and Mrs M have private medical insurance with AXA. In June 2023, Mrs M, unfortunately, fell and injured her ankle and foot. She required a brace for around five months and physiotherapy. Following this, it was determined she would require surgery to help resolve the issue. Mr and Mrs M made a claim with AXA and on 12 March 2024 were told their preferred specialist wasn't part of AXA's approved network. Mr and Mrs M still went ahead with the planned surgery in May 2024 and AXA declined to cover the associated costs.

AXA said it was clear with Mr and Mrs M that it wouldn't cover the treatment costs, prior to Mrs M's treatment and maintained its declination.

Our investigator didn't uphold their complaint. He said AXA declined the claim in line with its policy terms. He explained it was AXA's commercial right to decide which specialists form part of its approved network and that he was satisfied Mr and Mrs M were made aware of that prior to Mrs M undergoing treatment.

Unhappy with that, Mr and Mrs M asked for an ombudsman to consider their case. They said it was unfair of AXA to decline their claim for that reason. Mr and Mrs M said they were aware their chosen specialist had worked with AXA previously and wanted to know the reasons why it was no longer including their specialist as part of its network. They also noted AXA was prepared to pay a similar fee for another specialist with the only difference being that they were part of its approved network. Mr and Mrs M said AXA had made changes to their policy terms, without their consent or knowledge as previously, they were able to use any medical practitioner of their choice. And so, it's now for me to make 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've decided not to uphold it for the same reasons explained by our investigator. I'm satisfied AXA has declined Mr and Mrs M's claim fairly because it's relied on the policy terms to do that. There are rules which AXA must follow when considering claims. The relevant rules are the Insurance Code of Business Sourcebook (ICOBS). These rules say AXA must consider claims promptly and fairly and must not unreasonably reject a claim. I'm satisfied AXA has fulfilled its obligation under these rules and so I've decided not to uphold this complaint. I'll explain why.

The policy terms say about recognised treatment providers;

*"8 Who we pay for treatment and where you can be treated
You should call us before receiving treatment. This will allow us to review our records to*

check or identify someone to treat you who is eligible for benefit and confirm that the place where treatment is being carried out is also covered.

We pay eligible treatment charges made by a fee-approved specialist for consultations, diagnostic tests, treatment in hospital and surgical procedures when you are referred for specialist treatment in that medical specialty by your GP, specialist or dentist.”

And;

“Be aware:

Very occasionally the arrangement we have with a specialist may change, for example a fee-approved specialist may move to the fee-limited specialist category. This means that what we will pay for treatment with that specialist may also change. It’s important you contact us before you see the specialist or have any treatment so that we can tell you what you’re covered for.

There are some medical providers who we do not recognise at all. If you received treatment from one of these medical providers we will not pay those fees or any other fees for treatment costs under the direction of that provider.”

It’s important to recognise what AXA’s terms say about this. I’m satisfied AXA’s intentions are clear that it will only pay for treatment by providers or specialists that it recognises. This is important because AXA has repeatedly explained to Mr and Mrs M that it doesn’t recognise their chosen specialist. I acknowledge Mr and Mrs M’s strength of feeling about that, in particular, their arguments about AXA not providing any reasoning behind its decision not to recognise their specialist. However, AXA doesn’t have to explain anything about that to Mr and Mrs M. I say that because it’s AXA’s commercial right to decide who it includes within its approved network. And so, although Mr and Mrs M have repeatedly asked AXA to explain why their specialist isn’t included, it doesn’t have to give any explanation about its rationale here.

Mr and Mrs M have argued that their chosen specialist was highly recommended because of his specialisation with the particular injuries sustained by Mrs M, but for the reasons I’ve explained, it’s AXA’s right to decide whether to include the specialist within its approved network. I should also say that Mr and Mrs M were told AXA wouldn’t authorise treatment for these reasons well in advance of the intended surgery date. I say that because they were told this during a conversation on 12 March 2024 and the surgery took place more than two-months later on 25 May. I’m satisfied this gave them ample time to make other arrangements.

I also note Mr and Mrs M were provided with three alternative specialists that were also suitably qualified to carry out the proposed treatment, and they were part of AXA’s recognised network of specialists. And so, I’m satisfied Mr and Mrs M had enough time to reconsider their decision and that AXA provided them with all the necessary information to avoid the circumstances they’ve now found themselves in. To be clear, I understand Mr and Mrs M’s argument that their preference was to commit to their chosen specialist because they felt he was more suited by way of recommendation. However, that doesn’t mean AXA should pay for treatment provided by a specialist outside of their recognised network, particularly as they made other suitable recommendations.

Mr and Mrs M highlighted their chosen specialist had been part of AXA’s recognised network previously, but I’m not persuaded that means it should cover the incurred costs. I say that, not just because of what I’ve already explained, but also, it’s not unusual for insurers to update their network of approved specialists. In any event, their specialist wasn’t part of that network at the time they called to arrange the treatment and I’m satisfied AXA was clear

about that from the outset.

Mr and Mrs M suggested their previous policy terms allowed them to see any medical professional, anywhere. However, that's not supported by the evidence I've seen. The policy terms say consumers must call AXA to determine whether a) the proposed treatment is covered, and b) whether the treatment provider is recognised by AXA. I should say that's not an unusual term within healthcare policies as most insurers will require the specialist to be part of its recognised network. There are occasions where insurers will allow the contrary to happen, however, that's relatively uncommon and must be approved by the insurer. I should also say I've not seen any evidence that any discussion around AXA going beyond its policy terms took place at any time.

I know Mr and Mrs M's view is that this was an emergency situation and I do understand their reasons for going ahead with the planned treatment with their chosen specialist. But for the reasons I've explained, I don't consider this an emergency situation as it was pre-planned treatment for which they had at least two months to decide upon. I should also say that private healthcare isn't designed to offer emergency treatment, that's the role of the Accident and Emergency Department of the NHS.

My final decision

My final decision is that I don't uphold this complaint because AXA hasn't made an error here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M and Mr M to accept or reject my decision before 2 January 2025.

Scott Slade
Ombudsman