DRN-5127308

The complaint

The estate of Mr P complains that Phoenix Life Limited trading as Standard Life ('Standard Life') has declined a claim made on a life insurance policy.

What happened

Mr P held a life insurance policy with Standard Life. A benefit of the policy was a sum assured of £100, 000 if the life assured suffered a terminal illness before 25 June 2018. Mr P died in 2021 and a claim was made on the policy.

The claim was declined, and the Financial Ombudsman Service considered a separate complaint in relation to this. During that complaint process Mrs P, who represents the estate, provided more information in support of her position that the claim should be paid. As this was information that hadn't previously been provided to Standard Life Mrs P was directed to raise a new complaint to Standard Life. Ultimately, the further information didn't change Standard Life's decision on the claim. Mrs P therefore raised a further complaint with the Financial Ombudsman Service.

Our investigator looked into what had happened. Ultimately, she didn't think Standard Life had unfairly declined the claim based on the further evidence. Mrs P didn't agree and asked an ombudsman to review the complaint. In summary, she referred to a 'comparison case' the Financial Ombudsman had considered and said that the further medical evidence provided supported that the claim should be paid. So, the complaint was passed to me to make 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.

The relevant rules and industry guidelines say that Standard Life should handle claims promptly and fairly. And they shouldn't reject a claim unreasonably.

The policy terms and conditions

The sum assured is payable if Mr P suffered a terminal illness before 25 June 2018. The policy terms and conditions say:

> 3. What we pay on death or terminal illness
>
> (iii) Terminal illness is defined as:
>
> "Advanced or rapidly progressing incurable illness where, in the opinion of an attending consultant and our Chief Medical Officer, the life expectancy is no greater than 12 months."

The medical evidence

Mrs P provided additional evidence from Mr P's GP dated May 2023. The GP stated:

> 'I can confirm that, in my opinion, in April/May/June 2018 there was sufficient medical evidence for me to agree a diagnosis of advanced heart disease; which sadly couldn't be adequately treated given his severe COPD and other pulmonary complications. Had Mr P asked me for a prognosis at that time, I would have factored in his co-morbidities and anticipated mortality within 12-months'.

There was also a letter, dated May 2023, from Mr P's consultant cardiothoracic surgeon who said he'd seen Mr P in May 2018 and outlined his state of health at that time. He concluded:

> 'With this combination, I am of the opinion that his life expectancy at that point in time was less than 12 months'.

Standard Life asked for more information from the consultant. In response he said:

> I refer to my previous letter dated 19 May 2023. I can confirm that my advice regarding the prognosis of severe symptomatic aortic stenosis, moderate mitral regurgitation and atrial fibrillation was in the absence of intervention. In patients with severe aortic stenosis who are otherwise well, aortic valve replacement can return life expectancy to baseline. It is difficult to say with certainty whether in Mr P's case having his aortic valve replaced with a TAVI and not treating his moderate mitral regurgitation and atrial fibrillation would have resulted in extending life expectancy beyond 12 months, particularly considering his coexisting conditions of hereditary sperocytosis and chronic pulmonary disease.

Have Standard Life unfairly declined the claim?

At the outset I acknowledge that I've summarised this complaint in far less detail than Mrs P has, and in my own words. I won't respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here.

The rules that govern our service allow me to do this as we are an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I haven't. I'm satisfied I don't need to comment on every individual point to be able to fulfil my statutory remit.

I'm not upholding this complaint because I'm satisfied Standard Life have fairly assessed the claim, considering the additional medical evidence. I say that because:

- It's not unreasonable to consider the evidence of Mr P's GP who has relevant information and evidence to provide. The GP gave their opinion on life expectancy, which was that they would have anticipated mortality within 12 months. However, the report doesn't provide detailed reasons, with reference to any clinical evidence in support, for that conclusion being reached.

- In any event, I don't think it's unreasonable to place more weight on the evidence of the treating consultant. A consultant is typically more specialised in their field of medicine than a general practitioner. That's not to say that Mr P's GP comments have been disregarded or hold no value. But I don't think it's unreasonable to place more weight on the evidence of the consultant in the circumstances of this case.

- The consultant's initial letter referred to life expectancy as being less than 12 months. Standard Life asked the consultant to clarify some further points. I don't think it's

unreasonable for Standard Life to conclude, based on the further information the consultant provided, that there wasn't a firm diagnosis of a terminal illness at the relevant time. The consultant acknowledged that the advice relating to prognosis was in the absence of intervention. He also went on to say, in summary, that it was difficult to say with certainty whether in Mr P's case having treatment would have resulted in extending life expectancy beyond 12 months. I appreciate that Mrs P interprets that evidence differently to Standard Life but I don't think the conclusion Standard Life reached was unreasonable.

- Mr P's GP and consultant were asked to provide their comments in 2023, around five years after the end of the policy term. The information about Mr P's life expectancy contained within the updated medical information isn't clearly reflected within the contents of the contemporary medical evidence at the relevant time. If Mr P's diagnosis was terminal, incurable or led to a life expectancy of less than 12 months I think it's reasonable to expect that information to be more clearly reflected within the medical notes at the time.

- Mrs P feels that the comparison case supports her position. But every case is different and turns on its own facts. There are differences between the facts of Mr P's case and the case Mrs P compares it to. They include, but aren't limited to, the nature of the condition the complainant was suffering from and the available medical evidence. So, this point hasn't changed my thoughts about the overall outcome of the complaint.

- I appreciate that Mrs P feels that the claim process has now taken years. However, I'm considering what's happened since the last complaint. The further medical evidence was, in my view, considered within a reasonable timescale. I've not identified any significant or unreasonable delays in Standard Life assessing the further evidence. And, in any event, Mrs P has been representing the estate throughout the time that the further evidence was provided and considered. As our investigator explained I don't have the power to award compensation to Mrs P in her role as the representative of the estate. So, whilst Mrs P is understandably distressed by the claim being declined, I don't think it would be fair and reasonable to direct Standard Life to pay compensation in the circumstances of this case.

My final decision

I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr P to accept or reject my decision before 7 January 2025.

Anna Wilshaw
Ombudsman