

## **The complaint**

Mr C complains about his private medical insurance policy with BUPA Insurance Limited.

## **What happened**

Mr C has had private medical insurance underwritten by BUPA for many years. The policy renews in December each year. Before renewal in 2023, BUPA told Mr C his policy was changing. That was because BUPA was closing what it's referred to as its '*legacy policies*'. Mr C contacted BUPA about cover for diabetes. I'll refer to that conversation in more detail below. It's sufficient to say here that BUPA told Mr C he'd never had cover for diabetes. Mr C disputed that as BUPA had previously settled claims for consultations about diabetes.

Mr C says BUPA isn't acting fairly in withdrawing cover for his diabetes and denying he ever had that cover. He says BUPA should recognise its errors and accept it's bound by them. Mr C wants BUPA to restore his cover for diabetes.

In response to Mr C's complaint, BUPA said it had made errors in settling previous claims for consultations about Mr C's diabetes. It apologised for those errors and sent Mr C compensation of £200. Mr C wasn't content with that and pursued his complaint.

One of our Investigators looked at what had happened. She said BUPA had made errors in settling claims which meant it covered claims which weren't covered by the policy terms. The Investigator said the phone call when Mr C queried his cover was confusing and BUPA referred incorrectly to a claim for pituitary gland issues. She thought the compensation BUPA had already paid was fair and reasonable in this case.

Mr C didn't agree with the Investigator. He asked that an Ombudsman consider his complaint, so it was 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.

I've taken into account the law, regulation and good practice. Above all, I've considered what's fair and reasonable. The relevant rules and industry guidance say BUPA should deal with claims promptly and fairly and must act to deliver good outcomes for retail customers.

It's clear Mr C has very strong feelings about this matter. He has provided detailed submissions to support his complaint, which I have read and considered. However, I trust he will not take as a discourtesy the fact that I focus on what I consider to be the central issues.

Private medical insurance policies are annual contracts of insurance. At each renewal, an insurer, BUPA in this case, decides what it's going to provide cover for and on what terms. So, BUPA isn't obliged to offer cover on the same terms as it has offered previously.

Having said that, both Mr C's current policy and the policies in place when BUPA paid claims in 2018 and 2019 exclude cover for chronic conditions. Mr C's current policy contains the following:

***'What isn't covered***

*[...]*

**6. Chronic conditions**

***Treatment of chronic conditions*** isn't covered. By this we mean a disease, illness or injury which has at least one of the following characteristics:

- *it needs ongoing or long-term monitoring through consultations, examinations, check ups and/or tests*
- *it needs ongoing or long-term control or relief of symptoms*
- *it needs rehabilitation or for you to be specially trained to cope with it*
- *it continues indefinitely*
- *it doesn't have a known cure*
- *it comes back or is likely to come back*

***Need to know***

*Your policy doesn't cover **treatment** for expected flare-ups of a **chronic condition**. [...]*

***Exception 1:*** *your policy covers **eligible treatment** of unexpected acute symptoms of a **chronic condition** that flare-up and don't need prolonged **treatment**, so long as the treatment is likely to:*

- *lead quickly to a complete recovery, or*
- *quickly get you back to how you were before the flare-up*

*[...]*

There's a similar provision in the terms and conditions in place when Mr C made previous claims arising from his diabetes. This is a common term in policies of this type. Diabetes fits the policy's definition of a chronic condition. Mr C told BUPA he'd never had a flare-up of his diabetes. So his 2018 and 2019 claims weren't paid under the exception to the exclusion relating to chronic conditions. Based on what I've seen and heard, BUPA made errors when it paid Mr C's claims relating to his diabetes in 2018 and 2019. That was in Mr C's favour.

I've listened to recordings of phone calls between Mr C and BUPA after he'd received notification of the changes before the 2023 renewal. When Mr C first raised the matter with BUPA it told him neither his previous policy nor the current policy covered diabetes, which is a chronic condition. It explained the policies covered flare-ups in certain circumstances. I think that explanation was clear. However, there was confusion when BUPA subsequently referred to treatment for pituitary gland issues, which aren't relevant to Mr C. And in paying previous claims, BUPA raised Mr C's expectation that it would cover future claims.

I think the compensation of £200 BUPA has already paid is fair and reasonable in this case. In reaching that view, I've taken into account the nature, extent and duration of the distress and inconvenience caused by BUPA's errors. Mr C has told us he hasn't accepted the compensation from BUPA. In BUPA's final response to Mr C, it refers to sending the compensation to Mr C's account. If Mr C hasn't received the payment, he should contact BUPA about that.

**My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 17 March 2025.

Louise Povey  
**Ombudsman**