

The complaint

Miss A complains that AXA PPP Healthcare Limited applied a term on her private health insurance policy.

What happened

Miss A holds private health insurance cover, provided by AXA. She's unhappy because AXA applied a term on her policy which meant that it will not pay for any treatment for anxiety, depression and associated symptoms after 31 August 2024 as it said the condition was chronic. AXA told Miss A this on 15 February 2024, but it said it would pay for the recommended 12 further sessions until 31 August 2024.

Miss A first had some counselling and sessions with a psychotherapist between July and October 2021, and she started other therapy with a psychologist in May 2022. Miss A says the initial counselling sessions shouldn't be taken into account, as they don't impact her policy benefits. She also says she had a break in treatment for almost four months between August and December 2023. Miss A says she shouldn't need further treatment after the 12 sessions recommended by her psychologist. So, she says AXA shouldn't apply the term for a chronic condition on her policy. Miss A has been through several challenging life events within a relatively short period of time, which she says AXA has not taken into account.

One of our investigators looked into what had happened. Having done so, he didn't think AXA had acted unfairly or unreasonably in applying the term on Miss A's policy and concluding that the condition met the policy definition of a chronic condition. So, he didn't uphold Miss A's complaint.

Miss A didn't agree with our investigator's findings. As no agreement was reached, the complaint has been 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.

It's clear that Miss A has gone through challenging times since December 2019 to date. I'm sorry to hear how difficult it must have been for her during this time.

Miss A's policy covers treatment of acute conditions which is defined in the policy terms as follows:

"An acute condition is a disease, illness or injury that is likely to respond quickly to treatment that aims to return you to the state of health you were in immediately before suffering the disease, illness or injury, or that leads to your full recovery."

The policy doesn't cover treatment of ongoing, recurrent and long-term conditions, which are referred to as chronic conditions. These are defined in the policy terms as follows:

“A chronic condition is a disease, illness or injury that has one or more of the following characteristics:

- it needs ongoing or long-term monitoring through consultations, examinations, check-ups or tests*
- it needs ongoing or long-term control or relief of symptoms*
- it requires your rehabilitation, or for you to be specially trained to come with it*
- it continues indefinitely*
- it has no known cure*
- it comes back or is likely to come back.”*

AXA says Miss A’s mental health condition is chronic because it continues indefinitely, and it comes back or is likely to come back. It says this because there is no specific treatment end date in Miss A’s psychologist’s report dated 29 January 2024, and because there have been separate episodes with different triggers throughout the treatment period. Between July 2021 and August 2024, AXA paid for six counselling sessions and 58 other therapy sessions for Miss A.

I appreciate Miss A says her treatment will end after the 12 further sessions her psychologist recommended in January 2024. But this hasn’t been confirmed by her psychologist. And in any event, Miss A has had a significant number of counselling and therapy sessions paid for by AXA over a significant period of time. Even excluding the initial treatment she had since July 2021, Miss A received regular treatment from May 2022 onwards. I appreciate there were some gaps in treatment, but I don’t think these meant AXA didn’t act fairly when it considered all the treatment it paid for in relation to Miss A’s mental health.

Whilst Miss A has had different triggers throughout the treatment period (as both AXA and Miss A have highlighted), what’s key is the underlying condition. Based on what I’ve seen, the treatment Miss A has received throughout has been either for anxiety or depression. And it’s these that AXA says meet the definition of chronic.

Having considered everything, I think AXA acted fairly and reasonably when it applied the term on Miss A’s policy, for the reasons it did, based on the information it had.

AXA also gave Miss A six months’ notice of applying the term on her policy. I think this was fair and reasonable, as it allowed Miss A time to either complete her treatment or make arrangements to continue her treatment through the NHS, if she needed to.

My final decision

My final decision is that I don’t uphold Miss A’s complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Miss A to accept or reject my decision before 21 March 2025.

Renja Anderson
Ombudsman