DRN-5246733

The complaint

Mr D complains about the increase to the cost of his private medical insurance policy with BUPA Insurance Limited ('Bupa'). He's also unhappy with the service he received from Bupa after contacting it to discuss the increased premium.

What happened

In 2024, Mr D received his renewal quote from Bupa and was unhappy with the increase in premium from the previous year. Bupa gave Mr D some options to try and reduce the cost, such as changing the level of his cover, starting his policy as a new member, or having a month free.

Mr D remained unhappy about the premium increase and made a complaint. He then had some further phone calls with Bupa about the matter and was unhappy that he was advised he'd receive a callback within an hour, only to then find out it would be within 48 hours.

Bupa issued its final response on the complaint. It explained the factors it considers when pricing its policies, including healthcare costs, age, no claims discount, and insurance premium tax. Bupa accepted that Mr D had been given wrong information about a callback, and also that he'd had to wait before speaking to someone when he called Bupa. It apologised for this. Mr D brought his complaint to this service.

Our investigator didn't recommend the complaint be upheld. She said Bupa was entitled to decide how it priced its policies, but she did check with Bupa to find out how Mr D's renewal premium had been calculated. After doing so, she concluded that Bupa had treated Mr D fairly. Our investigator thought Bupa's apology for the callback issue was reasonable.

Mr D didn't accept our investigator's findings, and so the matter has been passed to me for 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.

This service tends to take the view that it is up to an insurer to decide how much to charge for the cover it provides. We don't generally tell insurers how to calculate risk or what premium to charge to cover that risk. Though I would expect an insurer to exercise its judgement fairly and consistently. In other words, I'd want to be satisfied that Mr D has been treated in the same way as another customer of Bupa's in a similar position to him.

Bupa has already told Mr D what factors it takes into account when pricing its policies, so I won't repeat this. And as our investigator has explained, Bupa has provided this service with details of how it calculated Mr D's renewal premium. I'm afraid I can't share this information with Mr D because it's commercial sensitive. However, I hope Mr D is reassured that I've considered this, and I'm satisfied that Bupa has charged him the same as anyone else in his position. I therefore find that Bupa has treated Mr D fairly.

Bupa gave Mr D information about what he could do to reduce the cost of his cover - making changes to the cover, taking out a policy as a new member, or having a month free. Whilst I understand all of these options weren't put to Mr D again in a later phone conversation, I'm satisfied he'd already been made aware of the options available to him.

Mr D is also unhappy with the time he had to wait to speak to Bupa, and that he was told he'd receive a callback within an hour only to then find out it would be 48 hours. Whilst I recognise it can be frustrating when waiting to speak to a company on the phone, I don't find that Bupa did anything wrong here. Bupa has told Mr D that it is aiming to recruit more staff to help with its telephone wait times. Bupa has already acknowledged that it gave Mr D the wrong information about the timing of a callback, and I'm satisfied that Bupa's apology for this was reasonable.

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 D to accept or reject my decision before 24 February 2025.

Chantelle Hurn-Ryan
Ombudsman