

The complaint

Mr R is unhappy that HDI Global Specialty SE declined a claim he made on an insurance policy linked to his pension scheme.

What happened

Mr R is a member of a group policy, arranged by his employer. The policy pays a lump sum in the event of permanent total disablement (PTD). The scheme started on 1 October 2021. Mr R has been absent from work since November 2021 but didn't claim on the policy until 2023 due to issues in obtaining information about the policy from his employer.

Mr R made a claim on the policy for an injury to his right knee which led to him undergoing a knee replacement. Mr R's claim was declined on the basis it was excluded from the policy because it was a pre-existing condition. Mr R complained to HDI but they maintained their decision was fair and in line with the medical evidence. So, Mr R complained to the Financial Ombudsman Service.

Our investigator looked into what happened and didn't uphold the complaint. He thought the claim had been fairly declined bearing in mind the available medical evidence. Mr R didn't agree and asked an ombudsman to review his complaint. In summary, he says that the medical evidence supports that he has a valid claim. The complaint was referred 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 HDI have a responsibility to handle claims promptly and fairly. And they shouldn't reject a claim unreasonably.

The policy offers cover in the event of permanent total disability. However, the policy terms and conditions say:

“ A. This insurance does not cover claims in any way caused or contributed to by:

[...]

12. any condition whether diagnosed or not, for which you have sought advice, diagnosis, treatment or counselling or of which the insured person was aware or should have been aware at inception of this contract of insurance or for which the insured person has been treated at any time during the two (2) years prior to the inception of this contract of insurance.”

I don't think it was unreasonable for HDI to conclude that this exclusion applied to Mr R's claim because:

- Mr R attended his GP in early October 2021. The GP notes indicate there was a

long-standing history of bilateral knee pain and swelling. The notes go on to say that there was recurrent locking and swelling, that Mr R had a recent flare up over the weekend and he was using a support and over the counter painkillers.

- I think HDI reasonably concluded that this meant Mr R had a history of right knee pain within the two year time frame specified in the policy exclusion.
- Mr R says that he experienced an accident at work which triggered the issues with his right knee. However, that didn't take place until November 2021, by which time Mr R had already consulted his GP about his knee and reported issues with it. Furthermore, Mr R didn't report this accident to his employer at the relevant time and so there's very limited information available about the circumstances of the injury. If Mr R wants to present further information about the circumstances of the accident, he'll need to provide that information to HDI to consider. Based on the information that was available when the claim was assessed I think HDI reasonable concluded that the exclusion applied.
- I've considered the evidence Mr R has provided from his consultant about his knee. It says that Mr R's osteoarthritis is caused by trauma. However, as I've outlined above, I don't think that's very consistent with the other medical evidence which confirms Mr R had a history of knee pain in his right knee before the accident. So, in the circumstances of this case, this evidence hasn't persuaded me that HDI unreasonably declined the claim.
- I'm persuaded that HDI carried out a thorough and detailed review of Mr R's medical information before declining the claim. I don't think they've simply concluded that because Mr R had a history of left knee problems that it meant his right knee problems were connected. Rather, I think they've fairly relied on the available medical evidence to decline the claim because of the exclusion.

My final decision

I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 24 March 2025.

Anna Wilshaw
Ombudsman