

The complaint

Ms F is unhappy that AXA PPP Healthcare Limited (AXA) only paid 60% of the invoiced diagnostic test.

What happened

Ms F attended a medical consultation. She was fitted with a cardiac monitor for 24 hours.

The consultant invoiced AXA for the initial out-patient consultation and for the cardiac monitor. AXA paid 60% of both fees.

Ms F accepts that she should pay 40% of the initial consultation. However, she's unhappy that she's been asked to contribute towards the cost of the cardiac monitor by AXA.

Our investigator looked into what happened and upheld the complaint. She recommended AXA cover the cost of the cardiac monitor in full. And if Ms F had already paid 40% of this cost to reimburse her for that along with simple interest at a rate of 8% per year from the date she paid for it to the date of settlement. She also recommended AXA pay Ms F £100 compensation for distress and inconvenience.

AXA disagreed and raised further points in reply.

These didn't change our investigator's opinion. So, this complaint has been passed to me to consider everything afresh.

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.

AXA has an obligation to handle insurance complaints fairly and promptly.

The policy terms say:

If you have treatment at a hospital or day-patient unit that's not in the hospital list, we will only pay 60% of the charges from that hospital or day-patient unit as long as they charge up to the normal rates published and charged by that hospital or day-patient unit. You will be responsible for paying the remaining charges.

And:

If your treatment is covered by your policy, we will pay your hospital fees in full. This is so long as a specialist is overseeing your treatment, and you use one of the following listed in the hospital list:

- a hospital
- a day-patient unit.

It also says:

If your treatment is provided by a specialist who is not a Health For You specialist but who is recognised by AXA...we will only pay 60% of the charges that would normally be paid by AXA...you will be responsible for the remaining charges.

Treatment is defined as:

Surgical or medical services (including diagnostic tests) that are needed to diagnose, relieve or cure a disease, illness or injury.

Ms F has full out-patient cover. And the policy terms say that cover is provided for diagnostic tests performed by your specialist. And that there's no yearly limit.

Diagnostic tests are defined as:

investigations, such as x-rays or blood tests, to find or to help to find the cause of your symptoms.

I uphold this complaint for the following reasons:

- It isn't disputed that the consultant's fees for the consultation wouldn't be covered in full under the policy.
- However, I don't think it's clear from the policy terms that if a diagnostic test is carried out at a recognised facility but is invoiced by the specialist, who is not a Health For You specialist (but who is recognised by AXA), the cost won't be covered in full.
- Although treatment as defined by the policy includes diagnostic tests, the cardiac monitor was fitted at one of AXA's recognised facilities. And under that section of the policy this cost would be covered in full.
- AXA says usually the facility would invoice it directly for the diagnostic test. And if the eligible facility had charged for the cardiac monitor, it would've settled the invoice for that in full. I've seen nothing which persuades me that the cost of the monitor (as it appears on the consultant's invoice) was excessive or more than the cost AXA would usually expect to pay for this diagnostic test.
- Ms F says the consultant didn't use the facility's cardiac monitor because it was unreliable. I've seen no persuasive evidence to contradict that, so I accept what's been said. So, the consultant ordered the monitor from a third party.
- Diagnostic tests are covered under the policy, and it was fitted at a facility recognised by AXA.
- In the circumstances of this complaint, I don't think it would be fair and reasonable for Ms F to have to pay 40% of the cost of the monitor because it was invoiced directly by the consultant rather than the facility.
- I've taken into account all points made by AXA including that Ms F was told by the consultant that they would be ordering the equipment and that she could've contacted AXA to ascertain if it would cover the cost of the test in full before she had it. However, I'm not persuaded by that point because as the test was at a recognised facility, I don't think Ms F ought to have reasonably been aware from what she'd been told by AXA or from the policy terms, that AXA would only cover 60% of the diagnostic test if it had been sourced (and invoiced) by the consultant.

- I'm satisfied that it would've been upsetting for Ms F to think she had to cover 40% of the diagnostic test and she was put to the unnecessary trouble of having to challenge this with AXA. I'm satisfied AXA should pay her £100 compensation to reflect the impact on her.

Putting things right

I direct AXA to:

- A. cover the remaining 40% of the cost of the cardiac monitor (around £140);
- B. pay Ms F simple interest at a rate of 8% per year on the amount set out in A above if this has already been paid by Ms F. Interest is payable from the date on which Ms F made payment to the date of settlement*.
- C. pay Ms F £100 compensation for distress and inconvenience.

If AXA considers it's required by HM Revenue & Customs to take off income tax from any interest paid, it should tell Ms F how much it's taken off. It should also give her a certificate showing this if she asks for one. That way Ms F can reclaim the tax from HM Revenue & Customs, if appropriate.

My final decision

I uphold this complaint and direct AXA PPP Healthcare Limited to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms F to accept or reject my decision before 10 March 2025.

David Curtis-Johnson
Ombudsman