

The complaint

Mr B complains about how Medicash Health Benefits Limited handled a claim under his health cash plan policy.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my 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.

Having done so, I agree with the overall conclusions reached by the investigator for the following reasons:

- The terms and conditions of the policy say that Medicash will not pay a claim *"if the date of your treatment is after the date that your policy is paid up to"*. So, I think Medicash acted fairly and reasonably when it didn't pay Mr B's claim until it had received the first premium payment.
- Mr B called Medicash on 3 May 2024. He said his policy had just started on 29 April 2024, and asked if there was any qualifying period to use the optical benefit. Medicash confirmed he had the full use of his benefits (other than one benefit having a qualifying period). Based on this, Mr B purchased glasses and made a claim to Medicash the next day.
- Mr B called Medicash on 8 May 2024 to ask about the status of his claim. Medicash confirmed it came in on 4 May 2024 and said it could be up to five days to process it.
- Mr B called again on 14 May 2024 to chase the claim payment. During this call Medicash told him it wouldn't be paid until his first premium payment was paid. But it incorrectly said this would be on 29 May 2024, and the claim would be paid as soon as this was paid.
- I think Medicash had two opportunities to tell Mr B that his claim wouldn't be paid until after his first premium payment was paid – which was due on 31 May 2024. I think Medicash caused Mr B unnecessary distress and inconvenience when it didn't clarify his claim wouldn't be paid until after his first premium payment had been received when Mr B called. To resolve the complaint, I think Medicash should pay Mr B £50 for the distress and inconvenience caused.

My final decision

My final decision is that I uphold Mr B's complaint in part and direct Medicash Health Benefits Limited to pay him £50 for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 27 March 2025.

Renja Anderson
Ombudsman