

The complaint

Miss H is unhappy with Exeter Friendly Society Limited's decision to decline her income protection claim.

What happened

Miss H contracted COVID-19 in August 2022, however, was left suffering with post COVID syndrome. In October 2023, her symptoms became so severe that she was unable to return to work. Miss H said she's unable to work because she struggled with everyday tasks such as, getting up, bathing and cooking. Her main symptoms were breathlessness and that she has to rest in between activities. She explained she cannot walk far without suffering these symptoms. Miss H has also described other symptoms being insomnia and cognitive difficulties. Miss H would like her claim paid.

Exeter said it's relied on an exclusion in her policy to decline her claim. It said the policy terms allow it to decline claims related to any functional somatic symptoms and syndromes and that because Miss H's symptoms are consistent with that, it doesn't have to pay her claim.

Our investigator agreed with Exeter. She acknowledged Miss H is suffering with post COVID syndrome, however, she felt there was enough persuasive medical evidence for Exeter to rely on the exclusion. She said Exeter's explanation of the link between Miss H's symptoms of fatigue, post-exertional malaise, insomnia and cognitive difficulties are functional somatic symptoms.

Miss H disagreed with her findings, in summary, she said the policy terms don't explicitly exclude her medical condition or its symptoms; that not enough weight has been given to her medical evidence; the medical officer's opinion is incorrect and inaccurate; that the investigator's use of reasonableness is anything but that and that we've not commented specifically on the evidence she's provided from the NHS.

And so, it's now for me to make a final decision on whether Exeter has applied the policy exclusion fairly to decline Miss H's claim.

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've decided not to uphold it. I say that because I'm satisfied Exeter has declined Miss H's claim fairly in the circumstances. It's not in dispute that Miss H is unwell and suffering with several symptoms related to her post COVID syndrome, but I have to consider that alongside the policy terms to determine whether cover was available. I'm satisfied Exeter has fairly relied on the policy exclusion in the circumstances of this complaint, I'll explain why.

The industry rules, the insurance code of business sourcebook (ICOBS), say Exeter must

handle claims promptly and fairly and must not avoid a claim. I've thought about its obligations under ICOBS whilst considering Miss H's complaint. The policy terms say;

What you are covered for

"With your Income First policy you are able to claim when you are totally unable to work due to illness or injury. We only consider your ability to carry out your own occupation when we assess your claim".

Illness or injury is defined as:

"Any illness or injury which results in you being totally unable to work in your own occupation for a period of time. This does not include being unable to work as a direct result of self-elected treatment that is not medically required".

Occupation is defined as:

"This is every trade, profession or type of work that you undertake, it is not a specific occupation with any particular employer. We will always assess a claim based on your occupation at the point you suffered an illness or injury".

There's also a personal exclusion added to Miss H's policy which says;

"No benefit will be payable under this policy which arises directly or indirectly from anxiety, stress, depression, any mental or behavioural disorder, or any functional somatic symptoms and/or syndromes including medically unexplained symptoms, chronic fatigue, or myalgic encephalomyelitis"

I've highlighted the above terms as I feel these are relevant to the consideration of Miss H's claim. I'm satisfied the medical evidence provided shows that Miss H is suffering with a medical condition. I wanted to make that clear as Miss H has made several arguments about her condition not being recognised. The evidence I've seen also persuades me that Exeter accept Miss H is suffering with post COVID syndrome. However, the exclusion in her policy is the reason her claim has been declined and not because Exeter in some way doesn't recognise her illness.

I should also say that it's not the ombudsman's role to make a clinical finding in this case, rather, it's for me to explain which side I'm more persuaded by. I know Miss H has made comments in response to our investigator's view related to this, however, I won't be responding to her concerns about that here for that reason. The ombudsman isn't the industry regulator like Miss H has suggested. My role is simply to determine whether the rules have been followed and applied fairly by Exeter whilst it considered her claim.

Exeter's medical officer provided evidence in this case which I found persuasive. He explained;

"There is a large biological overlap between the listed syndromes in the exclusion (e.g. CFS and ME) biologically. A recent paper identified a genetic correlation... between long COVID and chronic fatigue, and fibromyalgia. The ME Association leaflet from May 2023 states that between 40-60% of people with long COVID meet the ME/CFS diagnostic criteria. As such, I think it is accepted medically that long COVID is part of the same group of conditions of chronic fatigue syndrome and myalgic encephalomyelitis"

I think this is persuasive because it draws parallels between the medical conditions it's chosen to exclude from Miss H's cover and the condition she's claimed for. He also

explained that the treatment pathways are the same – which further persuaded me that these conditions are linked in the way he's described. Miss H has said she rejects the comparisons made by the medical officer, however, I do not. The medical officer's credentials also make this more persuasive given he's an infectious diseases clinician and also has clinical experience managing patients with Long COVID and post COVID syndrome.

I also think the exclusion sets out Exeter's intention to capture claims that arise directly, or indirectly from this type of medical condition. Exeter also explained that Miss H had suffered previously with another medical condition, which is what prompted it to include the exclusion in the first instance.

Exeter said that Miss H's medical history meant that she was at an increased risk of susceptibility to these types of illnesses, which is why it exercised its commercial right to include this exclusion. I've mentioned this as I feel it persuasively demonstrates that Exeter's intention was not to provide cover for conditions, like the one Miss H is suffering, from the outset.

Miss H's argument that the policy terms don't specifically exclude cover for post COVID syndrome, or long COVID, as it's often referred to are therefore unpersuasive in the circumstances. I say that because Exeter has persuasively explained that her medical condition is part of the same group conditions of chronic fatigue syndrome (CFS) and ME, which is listed in the exclusion applied to her policy.

I've carefully considered the medical evidence provided by Miss H, including her NHS screenshots, however, it doesn't persuade me that Exeter applied the exclusion unfairly. That's because her medical condition isn't in dispute – Exeter accept she's suffering with symptoms of post COVID syndrome. But I'm more persuaded by the available medical evidence that this falls into the catchment of the exclusion for the reasons I've explained.

My final decision

For the reasons I've explained, I don't uphold Miss H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 13 April 2025.

Scott Slade
Ombudsman