

## The complaint

Mr and Mrs J complain about the service they received from Saga Services Limited in relation to their private medical insurance policy.

## What happened

Mr and Mrs J have private medical insurance arranged by Saga. The policy renewed in June each year. In October 2023, Mrs J made a claim against the policy and subsequently had surgery in January 2024.

In May 2024, Saga wrote to Mrs J and told her that her policy was currently underwritten by an insurer I'll refer to as 'A' but at the next renewal, the underwriter of her policy would be an insurer I'll refer to as 'B'. Mr and Mrs J renewed their policy in June 2024.

In August 2024, Mrs J had a final appointment in relation to her ongoing treatment. When Mrs J contacted B about payment for the appointment, it told her the excess due under the policy was £500. As the cost of the appointment was less than the excess, Mrs J paid the provider herself.

Mrs J complained to Saga. She said her claim in relation to the appointment in August 2024 was part of her previous claim and she doesn't agree she should pay the excess again. Mrs J said Saga should have agreed with A that it would honour all ongoing claims or agreed with B that it would accept responsibility for ongoing claims.

Mrs J says if Saga hadn't changed the insurer, she wouldn't have had to pay the excess again. She said at renewal, Saga didn't send them the full policy document and she expected any changes that may affect them would have been highlighted in the renewal documentation. Mrs J says as she had an ongoing claim, Saga should have told her at renewal that she'd have to pay another excess.

One of our Investigators looked at what had happened. He didn't think Saga had treated Mr and Mrs J unfairly. The Investigator said the excess due under the policy is payable each policy year, regardless of whether the treatment relates to a new claim or an existing claim. He said Mrs J would still have had to pay the excess in the new policy year whether or not the underwriters of the policy had changed.

Mr and Mrs J didn't agree with the Investigator. Mrs J responded to say Saga should have explained the requirement for the excess to be paid each year applies to existing claims as well as new claims. She said the policy term in relation to the excess is unfair, as if treatment goes over the renewal date, she has to pay another excess. Mrs J said the policy terms don't make it clear the policy excess applies to existing claims. She says Saga didn't send her the full policy document at renewal – she had to sign into her account in order to access it.

The Investigator considered what Mrs J said but didn't change his view. He thought the information Saga had provided was clear. Mrs J asked that an Ombudsman consider the complaint, so it was passed to me to decide.

## 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.

Saga is a broker; whilst it arranged the policy for Mr and Mrs J, it isn't the insurer and isn't responsible for dealing with any claims. This decision will only deal with Mr and Mrs J's complaint against Saga. If Mr and Mrs J are unhappy about a claim, they'll need to make a separate complaint against the insurer.

I've taken into account the law, regulation and good practice. Above all, I've considered what's fair and reasonable. The relevant rules and industry guidance say Saga should provide Mr and Mrs J with information that's clear, fair and not misleading.

Saga doesn't set the terms of the insurance, that's a matter for the insurer. So, it isn't open to Saga to direct A or pay ongoing claims after the end date of the policy or direct B to waive the excess for ongoing claims.

I've looked at the information Saga provided to Mr and Mrs J at renewal in June 2023 and June 2024. In both cases, the Insurance Product Information Document (IPID) said as follows:

### ***'What is not insured?***

*x The excess amount shown in your Policy Schedule which is applicable once per person per policy year.'*

I think it's clear the excess is payable per person, per policy year. That's a common term in policies of this type. I don't think Saga needed to do any more to bring it to Mr and Mrs J's attention. The change of underwriter didn't alter when the excess was payable.

I don't think Saga is at fault in providing some information by post and some information online. In addition to the part of the IPID I've set out above, the policy documents for the policies underwritten by A and B both include the following:

### ***'I have an excess on my policy – how does this work?***

*If you have an excess on your **policy**, this is how it is applied:*

- *The excess (that is, the amount of money you have to pay towards the cost of **eligible treatment**) applies to every person covered by the policy in each policy year.*
- *[...]*
- *[...] Should **treatment** continue beyond your **policy's** renewal date we will apply the excess once against the costs incurred before this date, and again against the costs incurred on or after the renewal date. [...]*

I think it's clear from the above that if treatment goes beyond the policy renewal date, the excess is paid once in each policy year. I think Saga provided Mr and Mrs J with information that's clear, fair and not misleading.

Mrs J has provided a copy of a letter A sent to her in March 2024 which said her membership covered check-ups until 31 January 2025. Saga isn't responsible for the content of letters from A. But in any event, the letter goes on to say the treatment is covered as long as it's in line with the rules and limits of the plan. The rules and limits of the plan included payment of the excess per person, per policy year.

I'm sorry to disappoint Mr and Mrs J but based on what I've seen, I don't think Saga treated them unfairly or unreasonably in this case. It follows that I don't uphold the complaint.

**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 J and Mrs J to accept or reject my decision before 27 May 2025.

Louise Povey

**Ombudsman**