

The complaint

Ms M is unhappy with the way she was treated by Western Provident Association Limited (WPA) after it'd agreed to pay her claim.

What happened

Ms M had a private medical insurance policy with WPA since May 2022 on a moratorium underwriting basis. She made a claim for hospital cash benefit, following treatment she received in May 2024.

Ms M said WPA paid her claim, however, it contacted her afterwards asking for additional information about her previous medical history. Ms M said WPA had indirectly accused her of making a fraudulent claim and it should pay her more compensation.

WPA accepted it made a mistake by asking Ms M for additional information after it'd already paid her claim. It said the error was caused by a review of her claim, where it noticed it hadn't followed the correct claims validation process. And so, it incorrectly asked Ms M to provide information retrospectively. WPA apologised for its mistake and paid Ms M £100 compensation.

Our investigator thought that was fair. She recognised WPA had already paid Ms M the hospital cash benefit claim and admitted the error it made. She didn't think it needed to do anything more in the circumstances.

Ms M disagreed with her findings. She explained the compensation offered is not enough given the impact this had on her and the way it made her feel. And so, it's now for me to make a final decision on whether I think the compensation should be increased.

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 also think the £100 compensation fairly reflects the level of distress and inconvenience caused. I'll explain why.

Ms M's claim was paid in June 2024 and subsequently closed. WPA completed its review in September 2024 and realised it should have asked Ms M more about her medical history, prior to paying the claim. This was WPA's mistake and not any wrongdoing on Ms M's part. WPA accepted that and has explained that to Ms M. I agree when Ms M called in September 2024, after she received WPA's letter asking for further information, it could have been clearer about that.

WPA said its adviser was unfamiliar with her claim and so thought Ms M had been asked to provide the information so it could validate her claim and decide whether to pay it. That was incorrect given Ms M's claim had already been paid and closed. WPA apologised for the confusion and paid the compensation to reflect the mistakes it'd made.

I know Ms M feels strongly about the insinuation she'd done something wrong, or that she had attempted to gain cover when she wasn't entitled to it, but that's not what WPA has said. I've also not seen any evidence that persuades me WPA suggested Ms M was acting dishonestly and therefore I don't think it fair to increase the compensation in these circumstances.

I recognise WPA made a mistake, however, I'm satisfied it's explained the error it made and paid a fair amount of compensation. I don't consider the mistake to be significant and therefore I make no further award.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 25 April 2025.

Scott Slade
Ombudsman