

The complaint

Ms A and Mr A are unhappy with Aviva Insurance Limited's decision not to cover Mr A's treatment costs.

What happened

Ms A had private medical cover through her previous employer. She added her son, Mr A, to the policy. Ms A made a claim for Mr A's treatment, septoplasty, which was authorised on 6 November 2023. The treatment couldn't be performed until February 2024 and so preauthorisation was given by Aviva. Ms A then left her employment three days later on 10 November 2023 and so Aviva declined to pay for Mr A's treatment.

Ms A and Mr A said they didn't realise the preauthorisation would be withdrawn after Ms A left her employment. They said Aviva should have told them that as well as notified the treating hospital that the cover had been withdrawn. They also said Mr A wouldn't have gone ahead with treatment privately had they known cover would have been revoked. They'd like Aviva to pay Mr A's treatment costs.

Aviva said it withdrew the preauthorisation because Ms A was no longer an employee and therefore not entitled to cover under her previous employer's group policy. It also said Ms A, when she called three days prior to leaving employment, made no mention of her plan to leave work. It said, therefore, it was unaware of these circumstances and couldn't have made her aware that it wouldn't offer cover for treatment beyond 10 November 2023, after which, she was no longer an employee.

Our investigator didn't uphold their complaint and said Aviva's liability ended when Ms A left her employer. She also said Aviva was under no obligation to contact the treating hospital as that's usually the responsibility of the insured.

Ms A and Mr A disagreed with her findings. In summary, they said they've been left with debts because they cannot afford to pay the treatment costs. They maintain that Aviva should have told them and the treating hospital that cover had been withdrawn and asked that Aviva contribute to at least 50% of the outstanding costs. And so, it's now for 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.

Having done so, I've decided not to uphold it and for the same reasons explained by our investigator. The cover ended when Ms A left her previous employer on 10 November 2023 and the treatment wasn't for another three months after that, in February the following year and so I'm persuaded that Aviva has declined Mr A's claim fairly. I'll explain why.

The relevant rule that applies in this case comes from the Insurance Conduct of Business Sourcebook (ICOBS) and is set by the Financial Conduct Authority. ICOBS says Aviva

should handle claims brought to it promptly and fairly and that it mustn't unreasonably reject a claim. I've carefully considered this whilst assessing Aviva's actions in this case.

I've also thought about the policy terms Ms A and Mr A agreed with Aviva, they say;

"Leaving the company or policy

If you leave your company, have your membership removed by your company or if you decide to leave the policy, your membership of the policy will cease immediately, even if treatment was pre-authorised by Aviva."

Aviva's terms are clear that should Ms A leave the company that provided her cover, then her membership to the policy ceases with immediate effect, even if the treatment was pre-authorised. Aviva has relied on this term to decline Mr A's claim and given Aviva's terms make its position clear on this circumstance, I'm satisfied it's declined the claim fairly.

Ms A and Mr A have made other arguments and said Aviva should have told them this was a possibility, however, I'm not persuaded it needed to do that. Rather, I think it reasonable to suggest Ms A could have told it she was planning on leaving her employer when she called to discuss the claim three days before. Had she shared this with Aviva, I think it most likely would have explained it would only cover treatment up until the day she left the company. I also thought, given the passage of time between the authorisation, the date Ms A left her employer and the treatment date was almost three months, it would have been reasonable for Ms A and Mr A to call Aviva and check whether authorisation was still valid. I've not seen any evidence that happened either.

Having considered the claims notes, I'm also aware it wouldn't have been possible for Mr A to have his treatment before Ms A left the company as the specialist was unavailable until February 2024.

I'm sorry to learn Ms A and Mr A are finding it challenging to pay the treatment costs, but for the reasons I've explained, this isn't Aviva's responsibility.

My final decision

My final decision is that I don't uphold this complaint for the reasons I've explained.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A and Mr A to accept or reject my decision before 21 July 2025.

Scott Slade
Ombudsman