DRN-5544929

The complaint

Mr M complains that Western Provident Association Limited ("WPA") declined a claim under his private health insurance policy.

What happened

Mr M took out a private health insurance policy with WPA on 16 May 2023. The policy was underwritten on a moratorium basis. This meant that any pre-existing conditions Mr M had in the five years before the policy start date were excluded from cover for at least two years. The definition of a pre-existing condition included symptoms.

Mr M made a claim to WPA due to a headache on 3 May 2024. WPA declined the claim as the consultant had noted that Mr M had had a similar episode in 2020 or 2021. So, WPA said that the claim was caught by the moratorium term.

Mr M said the consultant had got the information wrong. He said the previous episode was after a long-haul business flight which he hadn't taken at least since August 2017. He asked the consultant to amend this, which they did. However, WPA said it would rely on the consultant's original report as a contemporaneous record of the discussion. It also said Mr M hadn't been consistent in his testimony on the timing of the previous episode.

However, WPA paid for the initial consultation as well as blood tests. But it declined to pay for the scans Mr M had. Unhappy with WPA's position, Mr M brought a complaint to this Service.

One of our investigators reviewed the complaint. Having done so, she was more persuaded by Mr M's overall testimony and information provided. So, she didn't think WPA had fairly declined the claim. She thought WPA should now consider the claim and pay Mr M £150 for the distress and inconvenience caused.

WPA didn't agree with our investigator's findings. As no agreement was reached, the complaint has been 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.

Industry rules set out by the regulator (the Financial Conduct Authority) say insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules, and other industry guidance, into account when deciding what I think is fair and reasonable in the circumstances of Mr M's complaint.

The policy sets out the moratorium term as follows:

> *"If you have moratorium underwriting you will not be eligible to claim for at least two years, for any condition(s) which you had during the five years before your Policy starts or which occurred in the first 14 days after you joined us. We call these pre-existing conditions."*

And pre-existing conditions are defined in the policy as follows:

> *"Any condition, disease, illness or injury, whether symptomatic or not. This includes:*
> - *Anything for which you have received medication, advice or treatment; or*
> - *Where you have experienced symptoms, whether the condition has been diagnosed or not, before the start of your cover; […]"*

It's not in dispute that Mr M didn't seek medical advice or treatment for headaches during the moratorium period – between 16 May 2018 and 16 May 2023. This is supported by the medical records. So, the key issue in dispute is if Mr M experienced symptoms during this time. And the onus is on WPA to show it's more likely than not that he did, as WPA is relying on a policy exclusion to decline the claim.

Mr M saw a consultant on 8 May 2024. This report doesn't refer to a similar episode in 2020 or 2021. However, there's a mention of *"recurrent headaches over the years"*. Mr M's headache was a very specific type though, so I find a generic reference to headaches to be vague, and this wasn't noted down in the consultant's report to WPA on 15 May 2024.

The consultant diagnosed Mr M with four episodes of a specific type of headache. And I can see from the medical reports that by the time Mr M had the appointment with the consultant, he had experienced at least three episodes since 25 April 2024. So, unlike WPA has said, I don't think the diagnosis shows Mr M had a history of these headaches beyond what I've set out in this decision.

The consultant noted in the report to WPA on 15 May 2024 that Mr M had experienced a similar episode in 2020 or 2021. However, this detail wasn't included in the consultant's earlier report on 8 May 2024. And they amended the report to WPA on 30 May 2024 to say that Mr M hadn't experienced similar symptoms during the moratorium period.

The consultant clarified on 19 June 2024 that the original symptom history was provided by Mr M during the initial appointment. The consultant said that Mr M told him the original headache he had *"was three to four years earlier which would be in [2020] or 2021"*. However, as I said previously, this detail wasn't included in the consultant's original report. The consultant said that they amended the report to WPA following an email from Mr M.

Based on the consultant's notes, it doesn't look like it was Mr M who referred to having had similar symptoms in *years* 2020 or 2021 specifically. Mr M has since explained that he told the consultant he had similar symptoms *"a few years ago after a long-haul business flight"*. He says he hasn't travelled for work since his employment ended in August 2017, so the symptoms would have been prior to this. Mr M also says that he couldn't travel anywhere in 2020 or 2021 due to lockdown at the time.

I find Mr M's testimony persuasive. And unlike WPA has said, I don't find Mr M's testimony inconsistent. It seems to me that he simply couldn't immediately pinpoint when he'd had similar symptoms, as these occurred several years previously. I don't find this to be unusual. I think any reasonable person would struggle to remember a timing of a headache several years previously.

I appreciate Mr M didn't correct the error in the consultant's report until after WPA declined the claim. But he didn't have a reason to until he became aware of the importance of identifying the correct timeline. And based on everything I've seen, I'm satisfied Mr M has given a persuasive explanation when the symptoms did occur. He has specifically referred to experiencing these after a long-haul flight for work, which he hasn't done since at least August 2017. Based on this, I'm persuaded that it's more likely than not that these symptoms occurred before the moratorium period.

That means that I don't think WPA acted fairly or reasonably when it declined Mr M's claim. So, I think it should now pay the claim. It's my understanding that Mr M didn't pay the invoices. However, if he has now done so, I think WPA should also pay him simple interest on these amounts.

It's clear that WPA caused Mr M unnecessary distress and inconvenience when it unfairly declined the claim. Our investigator recommended it should pay him £150 in compensation, and I agree this is fair and reasonable in the circumstances.

My final decision

My final decision is that I uphold Mr M's complaint and direct Western Provident Association Limited to do the following:

- pay the claim in line with the remaining terms and conditions of the policy,
- if Mr M has now paid the invoices, WPA should also add 8% simple interest* from the date Mr M paid the invoices until the date of settlement, and
- pay Mr M £150** for the distress and inconvenience caused.

*If WPA considers that it's required by HM Revenue & Customs to take off income tax from the interest, it should tell Mr M how much it's taken off. It should also give Mr M a certificate showing this if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

**WPA must pay the compensation within 28 days of the date on which we tell it Mr M accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% simple per annum.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 12 August 2025.

Renja Anderson
Ombudsman