

The complaint

Mr D complains that Vitality Health Limited delayed cancelling his private health insurance policy, and how it handled a claim for mental health under the policy.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my decision.

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.

I've considered and addressed the points that I think are material to the outcome of the complaint, as I'm required to do. This reflects the informal nature of this Service. I've also only considered what's happened in the individual circumstances of Mr D's complaint, and any impact on him directly. I have no power to tell a business to change how it operates, I can only direct a business to put things right for an individual consumer.

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 D's complaint.

Mr D first tried to cancel his policy in April 2024, but Vitality didn't action his request. He then got in touch with Vitality on 27 June 2024 about mental health support. Vitality put him through to a provider, but Mr D couldn't arrange an appointment as he didn't have access to a UK phone. Vitality then gave Mr D an option for an online provider on 2 July 2024. Overall, I think Vitality gave Mr D reasonable options to access mental health support based on his individual needs. When Mr D said he didn't have access to a phone, Vitality offered an online option, as he had requested.

Vitality clarified on 4 July 2024 that as Mr D was outside of the UK at the time, the provider may decline to provide treatment until he was back in the UK due to safeguarding measures. I don't think this is something I can hold Vitality responsible for, as this would be a decision made by the treatment provider. A health insurer is not responsible for the quality of treatment provided, any decisions on treatment by or the conduct of a medical professional.

Mr D again told Vitality on 2 July 2024 that he wanted to cancel his policy, as he'd requested previously. Vitality confirmed on 9 July 2024 that it would process the cancellation as of 8 April 2024, and it confirmed on 11 July 2024 that it would issue Mr D a full refund from the date of cancellation. Vitality apologised for not processing the cancellation sooner, and it offered a food gift as compensation. It has since said that Mr D can also accept £100 as cash equivalent of this.

It's clear that Vitality delayed processing Mr D's request to cancel his policy, as he'd already asked for this in April 2024. But I can also see that he was still seeking treatment under the policy in June 2024, so I don't think the impact of the delay was significant in the circumstances. So, I think Vitality backdating the cancellation to 8 April 2024, apologising and offering to pay Mr D £100 to compensate him for the distress and inconvenience caused is fair and reasonable in the circumstances of this complaint.

My final decision

My final decision is that the offer Vitality Health Limited has made is fair and reasonable. So, it should pay Mr D £100 for the distress and inconvenience caused.

Vitality must pay the compensation within 28 days of the date on which we tell it Mr D accepts my final decision. If it pays later than this, it must 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 D to accept or reject my decision before 20 June 2025.

Renja Anderson
Ombudsman