DRN-5596493

The complaint

Mr J complains that Western Provident Association Limited (WPA) has turned down a claim he made on a corporate private medical insurance policy.

What happened

The background to this complaint is well-known to both parties. So I've simply set out a summary of what I think are the key events.

In January 2024, Mr J became insured under his employer's group medical insurance policy, which is underwritten by WPA. The cover was underwritten on a moratorium basis.

Subsequently, Mr J was unfortunately diagnosed with prostate cancer. So in October 2024, he contacted WPA to make a claim for surgery.

WPA asked for medical information to allow it to fully assess Mr J's claim. It noted that in November 2023 - around two months before policy cover began - Mr J had been found to have a raised prostate-specific antigen (PSA) level, even though this had been marked as 'normal' by Mr J's GP. So it concluded that Mr J's claim fell within the scope of a pre-existing medical condition and was therefore excluded from cover by the terms of the moratorium. Accordingly, it turned down Mr J's claim.

Mr J was very unhappy with WPA's decision and he asked us to look into his complaint. I understand he underwent surgery privately, at his own cost.

Our investigator thought Mr J's complaint should be upheld. He noted that Mr J underwent regular check-ups, which included testing for his PSA levels, given he was prescribed testosterone gel. He didn't think it was fair for WPA to conclude that Mr J was being monitored for prostate cancer and he didn't think there was any evidence that Mr J had undergone further monitoring after the reading taken in November 2023. So he thought WPA should reconsider Mr J's claim, in line with the remaining policy terms and conditions, and that it should pay Mr J £350 compensation.

WPA disagreed and so the complaint was passed to me to decide.

I issued a provisional decision on 16 May 2025, which explained the reasons why I didn't think WPA had treated Mr J unfairly. I said:

'First, I'd like to say how sorry I was to hear about Mr J's diagnosis and it's clear this has been a very worrying and upsetting time for him. I do hope he's made a good recovery from the surgery.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. I've taken those rules into account, amongst other relevant considerations, such as regulatory principles, the policy terms and the available evidence, to decide whether I think WPA has treated Mr J fairly.

I've first considered the policy terms and conditions as these form the basis of the contract between Mr J's employer and WPA. It's clear that the policy is provided on moratorium terms. The contract states:

'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 scheme membership starts. We call these pre-existing conditions.'

WPA defines a pre-existing condition 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.'

Treatment is defined as:

'Surgical or medical services (including diagnostic tests) that are needed to investigate, relieve and/or cure a symptom, disease, illness or injury. This includes any form of medical care.'

In my experience, this isn't an unusual term. And I think WPA has made it clear that a condition doesn't need to have been diagnosed in order to fall within the definition of a pre-existing condition.

WPA has concluded that Mr J's claim is caught by the moratorium clause and is therefore excluded from cover. So I've next looked carefully at the available medical evidence to decide whether I think this was a fair conclusion for WPA to reach.

Mr J's GP provided WPA with copies of Mr J's medical records. I can see that Mr J was prescribed a testosterone gel in 2018 and I also appreciate that there is some medical evidence which suggests that the use of the gel can cause a raise in PSA levels.

In August 2021, Mr J's GP recorded that Mr J's PSA levels had been rising progressively over the previous two to three years and had breached the end of the normal range. A level of 3.2 was recorded. Mr J was referred to a urologist. After further investigations, prostate cancer was ruled out. In November 2022, it seems further bloods were taken and a normal PSA reading was taken. Following a further blood test in April 2023, Mr J's PSA level was again recorded as 'normal'. And in November 2023, a GP recorded a PSA level of 3.7, which again, the GP categorised as 'normal'. Subsequently, in August 2024, Mr J's PSA level had risen to 4.4, which was categorised as 'abnormal'. It was this particular reading which ultimately led to Mr J undergoing further investigations and being diagnosed with prostate cancer.

I understand that Mr J's GP categorised the November 2023 PSA result as normal and so no further specific, urological investigations were arranged at that time. But in my view, the medical evidence indicates that Mr J was undergoing regular investigations into his PSA levels, in the form of blood tests, over a period of years. Indeed, Mr J had a further blood test in August 2024. I note Mr J says these tests were part of a well-man check rather than specific PSA investigation. But it seems that his PSA was being specifically tested at regular points, even if this was monitored alongside other potential health issues. As such, I don't think it was unfair for WPA to conclude that the regular blood tests were medical services and so fell within its definition of 'treatment'.

WPA referred Mr J's claim to its Chief Medical Officer (CMO) to obtain their opinion. It seems the CMO also asked a urology specialist for their opinion. The CMO concluded that Mr J's PSA reading of 3.7 in November 2023 was an abnormal reading in line with medical guidelines. And they considered that given the continued rise in Mr J's PSA levels up until his cancer diagnosis, the November 2023 abnormal reading was likely linked to his ultimate diagnosis with prostate cancer.

The CMO and WPA have provided us with evidence from medical publications and with website information from the British Association of Urological Surgeons. This evidence sets out normal PSA levels by age and which also sets out the possible links between raised PSA and prostate cancer. The evidence - including guidance from the National Institute for Health and Care Excellence - also shows that a PSA level of 3.7 in a man of Mr J's age would be considered to be abnormal.

In my view, it wasn't unreasonable for WPA to rely on its CMO's opinion and the available medical evidence when it concluded that Mr J's diagnosis was likely linked to his recorded PSA level of 3.7 in November 2023. Nor do I think it was unreasonable for WPA to conclude that Mr J was undergoing regular investigations into his PSA levels in the five years before the policy began.

As such then, I don't think it was unfair or unreasonable for WPA to consider Mr J to have had a pre-existing condition, in line with the policy definition, during the moratorium period. And so, while I'm very sorry to upset and disappoint Mr J when I appreciate he's already been through a difficult and worrying time, I don't think it was unfair for WPA to turn down his claim. This means I'm not planning to direct WPA to do anything more.'

I asked both parties to provide me with any further evidence or comments they wanted me to consider.

WPA accepted my provisional findings.

Mr J didn't respond by the deadline I gave.

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, as WPA accepted my provisional decision and Mr J didn't respond by the deadline we gave, I see no reason to change my provisional findings.

So my final decision is the same as my provisional decision and for the same reasons.

My final decision

For the reasons I've given above and in my provisional 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 to accept or reject my decision before 7 July 2025.

Lisa Barham
Ombudsman