

## The complaint

Mr K complains that AXA PPP Healthcare Limited applied an exclusion on his private health insurance policy.

## What happened

Mr K holds a personal health insurance policy with AXA. He transferred from a group policy with continued medical exclusions underwriting terms (medical history disregarded).

Mr K had physiotherapy on his knee between July and November 2022, and again between April 2023 and July 2024. AXA let Mr K know on 7 May 2024 that it would be applying an exclusion on the policy that it will be unable to pay for any therapies for 'left knee condition and any associated symptoms' after 31 July 2024. This was because he had had more than 20 sessions of physiotherapy on his left knee since July 2022, the treatment was still ongoing at the time, and there was no expected end date.

Mr K wasn't happy with this, as he says the physiotherapy he received in November 2022 was following a surgery on the knee, and the physiotherapy since April 2023 was unrelated to the surgery. Mr K also says AXA should have let him know he was nearing his physiotherapy limit on his knee before renewal. Had it done so, he would have changed his policy to a cheaper one.

Our investigator didn't think AXA had acted fairly or reasonably when it applied the exclusion on Mr K's policy. She said the onus was on AXA to show the exclusion applied, and so, it should have assessed Mr K's medical reports before applying the exclusion. She said AXA should now do so. But she didn't think AXA did anything wrong during policy renewal.

Neither party agreed with the investigator's findings. Mr K said the physiotherapy was for two separate conditions, which AXA ignored. AXA said that it was entitled to apply the term due to the number of physiotherapy sessions Mr K had received over an extensive time period. And it was for Mr K to submit further evidence if he didn't agree with AXA's decision.

As no agreement was reached, the complaint was passed to me to decide. I issued my provisional decision on 23 May 2025. Here's what I said:

*"Firstly, Mr K is unhappy that he wasn't told that he was nearing his physiotherapy limit when he renewed the policy. Had AXA told him that, he would have changed his policy to a cheaper one. However, this wasn't something a renewal team would have been able to assess, and I wouldn't have expected it to. Mr K's policy already had the exclusion for chronic conditions, irrespective of which underwriting terms he had. And assessing whether an exclusion applies to claims is separate from the renewal process. I appreciate Mr K doesn't agree, but I don't think AXA did anything wrong during renewal in the circumstances of this complaint."*

The policy terms define a chronic condition as follows:

*“A chronic condition is a disease, illness or injury that has one or more of the following characteristics:*

- It needs ongoing or long-term monitoring through consultations, examinations, check-ups or tests.*
- It needs ongoing or long-term control or relief of symptoms.*
- It requires your rehabilitation, or for you to be specially trained to cope with it.*
- It continues indefinitely.*
- It has no known cure.*
- It comes back or is likely to come back.”*

*AXA says it applied the exclusion due to the number of physiotherapy sessions Mr K had had over a long time period, which showed the ongoing nature of the treatment. It says it doesn't need medical reports to do so, and it was for Mr K to provide these if he didn't agree with AXA's decision. I don't agree.*

*It's for AXA to show an exclusion applies. AXA says it didn't have any medical reports or treatment plans. I don't think it was fair for AXA to apply the above exclusion, when it hadn't assessed what condition(s) Mr K had, and what the treatment plan was. AXA has simply referred to 'left knee condition'. However, without any medical reports, AXA wouldn't have known if the treatment was ongoing for a specific condition in Mr K's left knee, or met any of the other characteristics of a chronic condition.*

*I've also listened to the phone calls Mr K had with AXA. After AXA had notified Mr K it would be applying the exclusion, Mr K said the physiotherapy on his knee had been for two separate issues. AXA told him this didn't matter, as he'd still received physiotherapy for the left knee. AXA said the same thing when Mr K spoke with an advisor after AXA had issued its final response. I don't think AXA acted fairly during these calls either and it's not surprising Mr K didn't think AXA would consider further medical evidence even if he did send it.*

*Based on what I've seen so far, I think AXA should remove the exclusion from Mr K's policy. I appreciate AXA may still apply the exclusion after it reviews Mr K's medical records. But I make no finding on this under this complaint.*

*Mr K has said he hasn't needed further eligible physiotherapy treatment since the exclusion was applied, so I don't think he's lost out on any treatment. However, I think AXA has caused him unnecessary distress and inconvenience in how it applied the exclusion on the policy. This has clearly been frustrating for Mr K. So, I think AXA should pay him £150 for the unnecessary distress and inconvenience caused.”*

Mr K said he was happy to accept my provisional decision, but he wanted to clarify the following points:

- he held a group policy with AXA since 2006 (and a personal one since around 2009-2010) – rather than since 2022 as I set out in my provisional decision,
- he wanted to send AXA further evidence at the time, but he was told that AXA would be in touch if it needed anything,
- his condition is not chronic, he was treated for two separate issues over two years which he can evidence, and
- the number of physiotherapy sessions he had was within his membership allowance.

AXA didn't agree with my provisional decision and asked me to reconsider. It made the following points:

- its Head of Clinical Operations reviewed the medical reports and provided their opinion why AXA still considered Mr K's condition to be chronic, and we haven't commented on AXA's previous explanation on why it considered Mr K's conditions to be linked,
- based on the frequency of Mr K's physiotherapy sessions, it cannot be said that his left knee pain is an acute condition as per the policy terms,
- the terms for chronic conditions are set by the Association of British Insurers ("ABI") and are followed by most health insurers in the UK,
- there's no requirement under the policy terms for medical evidence to be provided to show whether a condition is chronic,
- it's entitled to make commercial decisions about the terms of cover and how these are applied – and saying AXA should operate differently falls outside this Service's remit, and
- it has always applied the terms of cover for chronic conditions this way, and this Service has supported AXA in previous complaints where it has withdrawn benefit for continuing treatment where the number and duration of claims demonstrates treatment is long-term and ongoing.

As both parties have now had the chance to review and respond to my provisional findings, I'm issuing my final 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.

Firstly, I've amended the background to this complaint regarding how long Mr K has held a policy with AXA – this isn't material to the outcome of the complaint.

It's important to note that I've only considered what's happened in the individual circumstances of Mr K's complaint. And AXA is right, it's not within my remit or power to tell it how it should operate. However, it is within my remit to decide if AXA has treated Mr K fairly and reasonably, and if it's acted in line with the policy terms and conditions.

When AXA made the decision to apply the exclusion on Mr K's policy, it hadn't considered the medical reports from Mr K's consultant. I appreciate AXA has now done so and provided comments, but I'm not considering these under this complaint. This is because I think it should first let Mr K know if and why it still thinks his condition is chronic. Mr K has also said he has further evidence from his physiotherapist he can provide to support his position.

This decision is limited to the information AXA had when it issued its final response in July 2024. If Mr K has further issues with AXA following its review of the medical reports and any further evidence he wishes to provide, he needs to raise a new complaint to AXA in the first instance.

I'll summarise my key findings to respond to AXA's points. The onus is on AXA to show an exclusion applies. So, it's for AXA to show that Mr K had a "*disease, illness or injury*" which met one or more of the characteristics listed under the chronic condition term. But in the circumstances of this complaint, AXA applied the chronic exclusion without confirming what disease, illness or injury Mr K had, and what he needed treatment for – it only referred to "*left knee condition*". However, at this point, AXA didn't know if Mr K had only one or several conditions on his left knee.

AXA also said Mr K's treatment didn't have an end date. But it's not clear how AXA could make this finding without a report from a practitioner to confirm the treatment plan.

Overall, for the reasons I've explained above and in my provisional decision, I don't think AXA has followed its own terms and conditions or treated Mr K fairly and reasonably. And I think it caused him unnecessary distress and inconvenience in doing so.

### **My final decision**

My final decision is that I uphold Mr K's complaint and direct AXA PPP Healthcare Limited to remove the exclusion from Mr K's policy and pay him £150 for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 10 July 2025.

Renja Anderson  
**Ombudsman**