

The complaint

Mr B and Ms M complain that The Royal London Mutual Insurance Society Limited haven't accepted a claim they made on a life insurance policy.

What happened

Mr B and Ms M hold a life insurance policy with Royal London. Mr B was diagnosed with an aggressive form of brain cancer. He claimed on the policy following his diagnosis. Royal London said they couldn't accept the claim at this stage as Mr B's prognosis was unclear and they didn't think it fulfilled the policy terms for payment of the policy benefit at that time.

Mr B and Ms M complained to Royal London, but they maintained their decision was fair and in line with the policy terms. Unhappy, Mr B and Ms M complained to the Financial Ombudsman Service.

Our investigator looked into what happened and didn't uphold Mr B and Ms M's complaint. He thought, based on the available evidence, that Royal London had acted reasonably.

Mr B and Ms M asked an ombudsman to review the decision. In summary, they highlighted the seriousness of Mr B's medical condition which is incurable and has a poor prognosis. They explained it wasn't possible to get a specific diagnosis and that this would be based on statistics. They also said the condition was one which was unpredictable and reoccurred very quickly. Finally, they made representations about the construction of the policy terms. They said that Royal London were unlikely to have a contractual right to reject the claim.

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 want to say at the outset that I have a lot of empathy with Mr B and Ms M given the circumstances that have given rise to this claim. I can appreciate that it must have been a very difficult time for both of them.

I also acknowledge that I've summarised this complaint in far less detail than Mr B and Ms M have, and in my own words. I won't respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern our service allow me to do this as we are an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I haven't. I'm satisfied I don't need to comment on every individual point to be able to fulfil my statutory remit.

The policy terms and conditions

The starting point is the policy terms and conditions which set out when a benefit can be paid. The terms say benefit is payable when the following criteria are met:

“Terminal Illness

Terminal illness - where death is expected within 12 months.

A definite diagnosis by the attending consultant of an illness that satisfies both of the following:

- the illness either has no known cure or has progressed to the point where it cannot be cured, and
- in the opinion of the attending consultant the illness is expected to lead to death within 12 months.

For us to accept the diagnosis of the person covered as evidence of a claim, it must be:

- made by an appropriate medical specialist,
- the first and unequivocal diagnosis of the illness, and
- confirmed by our chief medical officer.”

The claim decision

I’m considering Royal London’s actions up until the point that the final response letter was issued in January 2025. At that time, they decided the above criteria hadn’t been met.

The evidence from Mr B’s consultant referred to the median survival rate being 12 months from the point of diagnosis. She noted that there was no evidence of tumour recurrence but explained that this type of brain cancer recurred quickly and so this didn’t alter the prognosis. She also provided a medical article which explained more information about the median survival rates.

Royal London highlighted that at the point the claim was made the tumour had been fully resected and treated with radiotherapy and chemotherapy. The latest medical evidence said that there was no evidence of reoccurrence on the most recent scans. They also said that median survival statistics weren’t reliable and so they had considered the individual prognosis for Mr B. They didn’t think that the available evidence indicated a prognosis of less than 12 months. Royal London did also provide evidence of an alternative, more recent, medical article which indicated a median prognosis of around two years.

I’m satisfied that Royal London’s decision was fair because:

- Mr B’s case was considered in detail by Royal London’s Chief Medical Officer (CMO). I’m satisfied that they were reasonably entitled to rely on the opinion given by their medical expert. I’m also satisfied the CMO was suitably qualified to give an opinion. There’s no requirement for the CMO to have the same expertise as the treating consultant and it doesn’t preclude them from offering an opinion on the claim. That’s in line with the policy terms and so I don’t think it was unreasonable for Royal London to rely on their CMO’s opinion of the available medical evidence.
- There’s no requirement for the CMO to discuss the case with the treating consultant or refer the case for a second opinion. So, whilst I appreciate that this was something suggested by the treating consultant, I don’t think it was unreasonable for Royal London to determine the claim based on the available evidence.

- Mr B has argued that the construction of the contract is ambiguous and therefore any ambiguity should be construed in his favour. He says Royal London ought to have made it clear that the CMO would need to agree with the treating consultant that the illness was expected to lead to death within 12 months. I'm not persuaded by those representations. I don't agree the link between the policy terms is tenuous. The terms require a definite diagnosis and, for that to be accepted, it must be confirmed by the CMO. Therefore, I'm not persuaded that the terms are ambiguous in the way Mr B has suggested.
- Mr B's treating consultant didn't think the more recent study was a reliable source of information. This was information Royal London were entitled to consider when reaching their decision, particularly given that the study the treating consultant referred to took place many years ago. But, in any event, it was one piece of evidence, that was considered alongside the other available medical evidence relevant to Mr B's claim. So, these representations haven't changed my thoughts about the overall outcome of this complaint.
- I appreciate that Mr B has been awarded state benefits. However, it doesn't automatically follow that benefit is due under the policy. As I've outlined above, I think Royal London were reasonable to conclude that the policy benefit wasn't payable at the relevant time.
- Mr B explained in his representations that arguing for recognition of his terminal diagnosis throughout the course of this complaint has been devastating and unbearable at an already difficult time. I'm sorry that this has understandably been incredibly difficult and upsetting. However, I'm not persuaded it's fair and reasonable to uphold this complaint.

My final decision

I'm not upholding Mr B and Ms M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Ms M to accept or reject my decision before 22 July 2025.

Anna Wilshaw
Ombudsman