

The complaint

Miss B complains that Legal and General Assurance Society Limited (L&G) has turned down a critical illness claim she made on a life and critical illness 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 March 2018, Miss B took out a life and critical illness insurance policy through a price comparison website. During the online sale, she told L&G that two members of her family had had ovarian cancer before they were 60.

L&G agreed to offer Miss B insurance cover, but it applied an exclusion to her policy for any critical illness claim caused by breast or ovarian cancer. Miss B accepted L&G's terms and cover under the policy began.

Unfortunately, in 2023, Miss B was diagnosed with breast cancer. So, she made a critical illness claim on the policy, as she says she didn't realise the exclusion had been applied. But L&G turned down the claim because it said it was specifically excluded by the contract terms.

Miss B told L&G that she'd made a mistake when she applied for the policy and that her close female relative had had a different form of cancer rather than ovarian cancer. And her other relative didn't fall within the scope of L&G's question. So, she asked L&G to reconsider its decision.

L&G's underwriting team reviewed things. But it didn't change its decision. That's because it said the policy had been correctly set-up, based on the information Miss B had given it at the time.

Miss B was unhappy with L&G's decision, and she asked us to look into her complaint. In brief, she acknowledged that she hadn't checked the policy booklet, so hadn't known about the exclusion. But she didn't think L&G's application questions had been clear. And she questioned why, even though she'd clarified that none of her family members had had ovarian cancer, L&G wouldn't rewrite the policy and allow her to make a claim.

Our investigator didn't think Miss B's complaint should be upheld. He thought L&G had asked Miss B clear questions when she applied for the policy. And he thought it had been reasonable for L&G to rely on the answers Miss B had given it when it offered cover. He also didn't think there was enough evidence to show that Miss B's relative had suffered from a different form of cancer rather than the ovarian cancer she'd told L&G about.

Miss B disagreed. She felt she was being penalised for being truthful. She thought L&G should provide clear warnings that there might be different types of cancer which might affect different parts of the body. She said she'd honestly believed her close relative had had breast cancer and that the investigator's assessment was accusatory. She told us she had

evidence that her relative had had a different form of cancer, rather than ovarian cancer. She thought it would be reasonable for L&G to re-underwrite her policy based on the correct information.

The complaint's 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.

Having done so, whilst I'm very sorry to disappoint Miss B, I don't think L&G has treated her unfairly and I'll explain why.

First, I'd like to say how sorry I was to hear about Miss B's cancer diagnosis. It's clear this has been a very worrying time for her, and I do hope she's recovering well.

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 L&G handled Miss B's claim fairly.

The policy terms and conditions

I've first considered the specific terms and conditions of Miss B's policy, as these form the basis of the contract she entered into with L&G. Page 10 of Miss B's personalised policy booklet says:

'What you are not covered for

No Critical Illness claim will be paid in respect of the disablement of (Miss B) resulting from:

– breast or ovarian cancer including any in situ carcinoma or any spread (metastases) from these cancers. In addition, breast or ovarian cancer including in situ carcinoma and any spread are also removed from the cover provided by the cancer and carcinoma in situ of the breast clauses in the policy.'

In my view, Miss B's specific policy terms do make it clear that L&G has chosen not to cover critical illness claims for breast cancer and ovarian cancer. As Miss B was unfortunately diagnosed with breast cancer, I don't think it was unreasonable for L&G to conclude that her critical illness claim wouldn't be covered.

Was it fair and reasonable for L&G to apply the exclusion at the outset?

When Miss B applied for the policy, L&G asked her about her own health and circumstances, as well as her family's health, so it could decide whether to offer her a policy and if so, on what terms. During the online application, Miss B was asked whether any of her natural parents, brothers or sisters, before the age of 60, had any of a range of specific, listed conditions. This list included cancer. Miss B answered yes and so she went on to answer the following further questions about her family's health.

- *'a) How many of your relatives have had cancer? – Miss B answered '2'.*
- *b) Have either of these relatives had bowel (colon), breast or ovarian cancer? – Miss B answered 'both'.*

- *c) Which of these types of cancer were diagnosed? – Miss B answered, ‘ovarian only.’*

In my view, L&G’s questions were clear and unambiguous and would prompt a reasonable consumer to realise what information it wanted to know. So, I don’t think it asked Miss B unclear questions or that it needed to provide any further clarification as to the information it was asking for. Nor do I think it was unreasonable for L&G to ask Miss B for more information when it was assessing her complaint to allow it to undertake a full review of things.

And I don’t think it was unfair for L&G to rely on the answers Miss B gave it when it assessed whether or not to offer her a policy and on what terms to offer cover. It’s provided us with confidential underwriting evidence which I’ve considered carefully. This evidence shows that if a policyholder declares that their close relative had had breast or ovarian cancer before they were 60, it will apply a term excluding critical illness claims for breast and ovarian cancer. So, I don’t think L&G acted unreasonably when it relied on its underwriting guidance to apply the exclusion to Miss B’s claim. I’m satisfied it treated her in the same way it would have treated any other policyholder who gave it the same answers at application.

Miss B says she didn’t read the full policy terms when she took out the policy and so she didn’t see the exclusion. Given L&G didn’t hear anything from Miss B to indicate that she might have given it wrong information about her close relative’s health, I don’t think it was unfair for it to have continued insuring Miss B on the same terms.

Should L&G have re-underwritten the policy?

As I’ve explained above, the contract Miss B entered into with L&G included an exclusion for critical illness claims for breast cancer and ovarian cancer. So, Miss B’s claim isn’t covered by the policy she took out with L&G.

Following L&G’s decision to turn down Miss B’s claim, she let it know that in fact, her close relative hadn’t had ovarian cancer but had had a different type of cancer. Miss B said she’d been confused. She said she’d believed that her relative’s actual cancer had affected broadly the same part of their body and that she didn’t realise different types of cancer could affect the same parts of the anatomy.

Miss B strongly believes that L&G should rewrite her policy with the correct information. She considers this will lead to L&G removing the exclusion and accepting her claim. I’ve thought about this very carefully and whether I think it would be fair and reasonable for me to tell L&G to do so.

Based on the evidence I’ve seen and the evidence available to L&G when it issued its final response to Miss B’s complaint, I don’t think it would. That’s because while I don’t doubt what Miss B has told us, it’s still the case that she didn’t realise her answers might have been wrong until *after* the claim had been declined. It seems Miss B realised she gave incorrect information following family discussions. Miss B’s testimony is evidence which I think L&G has taken into account, as I have. But L&G hasn’t seen any *medical* evidence which shows that Miss B’s relative didn’t have ovarian cancer (or either of the other cancers L&G asked about) before they were 60. And I think it would be reasonably entitled to see medical evidence which supports Miss B’s position before it reviews the matter further.

So, in these particular circumstances, I don’t think it would be fair or reasonable for me to direct L&G to rewrite Miss B’s policy based on the evidence it has available. And I think it was reasonable for L&G to maintain its original underwriting decision at the point it issued its final response to Miss B’s complaint in April 2025.

As the investigator explained though, it's open to Miss B to provide L&G with any supporting medical evidence she has which shows that she answered the relevant application questions incorrectly. I'd expect L&G to review that evidence and to decide whether it alters its understanding of Miss B's policy and of her claim. If Miss B is unhappy with the outcome of any further review of her policy, she may be able to bring a new complaint to us about that issue alone, once L&G has had a chance to look into it.

But, while I'm sorry to cause Miss B further upset, I don't think L&G's unfairly or unreasonably turned down her claim.

My final decision

For the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 8 August 2025.

Lisa Barham
Ombudsman