

## **The complaint**

X is unhappy that AXA PPP Healthcare Limited (AXA) provided incorrect information about the No Claims Discount (NCD) on her private medical insurance policy.

## **What happened**

X initially took out a private medical insurance with AXA in 2018.

X said her policy was due for renewal on 17 October 2024, but it showed that the NCD had reduced. She said AXA had informed her that if she didn't make a claim from 17 October 2023 onwards, her NCD could go up. But her annual premium had increased and had she known this, she would have gone to a different provider.

X made a complaint to AXA. Initially, it said incorrect advice was provided to X. So, it apologised to her and awarded £50 compensation for this error. But that the NCD application wasn't incorrect, and it would remain. Later, AXA said the advisor didn't make any errors as information about how the NCD is calculated was given to X.

X brought her complaint to this service. Our investigator didn't uphold it. He didn't think incorrect advice had been provided by AXA and it hadn't treated X unfairly.

X disagreed and asked for the complaint to be referred to an ombudsman. So, it's been passed to me.

## **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, I won't be upholding this complaint. I'll explain why.

ICOBS says that insurers should act honestly, fairly and professionally in accordance with the best interests of their customers, and that they should handle claims promptly and fairly. I've taken these rules into account when looking at this complaint.

The crux of the issue is that AXA says it clearly informed X any claims made three months prior to the renewal date would impact the NCD in the following renewal year. X says she wasn't given clear information about this, and this resulted in her premium increasing the following year.

X's policy is renewed on 17 October each year. And the NCD calculation period for the 2024 policy year was 21 July 2023 to 20 July 2024.

I've listened to the call recordings on 12 October 2023 between X and AXA.

There was clearly a discussion about the NCD and how this would affect the premium. The advisor explained that if a claim was made in the three months before the renewal, it would affect the following renewal year and not the existing one. X said she wasn't told the NCD

calculation period ran from 21 July 2023 to 20 July 2024.

X was due to have a scan which she'd booked on 14 October 2023 so she would have been aware of this on 12 October 2023. However, X didn't inform AXA about this appointment - even when the advisor informed X that if a claim was made in the three months before the renewal, it would affect the following renewal year and not the existing one.

AXA confirmed that claims are assessed from the date the invoice is paid to the provider and not the treatment date. AXA's policy terms and conditions are also clear in setting out that the premium will be affected and is dependent on the claims made in the three months before the renewal.

I note X had a procedure on 5 October 2023, and physiotherapy sessions on 5 October 2023 and 10 October 2023. Whilst X didn't inform AXA that she had a scan booked for 14 October 2023 or that she had another physiotherapy appointment booked on 16 October 2023, this doesn't mean that these would not have been included. They all impacted X's NCD as payments were made after the policy renewed on 17 October 2023. The advisor informed her how the claims made in the three months prior to renewal would be taken into account on her policy. At this point, I would have expected X to let AXA know of the booked scan on 14 October 2023. But in this case, she didn't do this. I can't say therefore that AXA gave incorrect information. I think the advisor did provide correct information taking into consideration that he would also not have had access to X's claims history.

I've also considered that AXA sent X her benefit statements following each payment and that she had access to online member portal. Her policy handbook also confirmed how the NCD is calculated. And whilst X said it's unreasonable for her to have read all of the information on the handbook, I don't agree. I say this because overall she had sufficient information about how the NCD was calculated on her policy.

AXA said in its final response that the advisor should have been clearer about how the NCD was calculated, it later confirmed that it made an error. Having listened to the call, the advisor did explain that any claims made in the last three months of the policy year would affect the following year's NCD. I think this information was sufficient for X to have understood this and I note at the time, she acknowledged her understanding. So, I don't think AXA gave incorrect information.

X said the fact that AXA didn't know about the booked scan is irrelevant as it happened before the renewal date. She said she was given incorrect information which resulted in her paying a higher premium. I don't agree that it was irrelevant. She had a responsibility to provide accurate information to AXA on the telephone call. Without the full information, AXA could only respond to how the NCD is calculated in line with what the policy terms and conditions state. I think it sufficiently did this.

Overall, based on the circumstances of this complaint, I don't think AXA acted unfairly or outside the terms and conditions of X's policy. It follows that I don't require AXA to do anything further.

### **My final decision**

For the reasons given above, I don't uphold X's complaint about AXA PPP Healthcare Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 19 August 2025.

Nimisha Radia  
**Ombudsman**