

The complaint

Mr V is unhappy with AXA PPP Healthcare Limited's decision to decline his claim and recover medical costs it'd paid to his preferred specialist.

What happened

Mr V has private medical insurance with AXA. He suffers with chronic rhinosinusitis and claimed on his policy for diagnostic treatment. Mr V said when he discussed this with AXA, he was told the insurer wouldn't pay for treatment with his preferred specialist, but he didn't realise it also wouldn't pay for diagnostic scans and consultations. Mr V went ahead with treatment with his preferred specialist and said AXA paid for two of his consultations, however, declined his request for a CT scan.

Mr V said that when he questioned this with AXA, he was reminded that his preferred specialist wasn't covered under his plan. Mr V asked in that case why AXA had paid for the earlier consultations, to which AXA said those costs had been approved in error. Mr V said AXA then reversed its decision and reclaimed the money it'd paid to his preferred specialist. Mr V, unhappy with this, brought his complaint here.

He'd like AXA to pay for his diagnostic scan and consultations as he doesn't believe this should be considered *treatment* given it doesn't cure his condition.

AXA said it told Mr V in October 2024 his preferred specialist wasn't covered under his guided option plan. It said this conversation took place prior to the first consultation in November 2024 and that Mr V still chose to go ahead without its approval. AXA said it'd paid two invoices for treatment with Mr V's preferred specialist in error and that it only realised when Mr V challenged its decision to decline the third planned treatment for a CT scan. AXA said it decided to claim back the costs it'd paid in error as this was treatment Mr V was never entitled to under his guided option policy.

Our investigator didn't uphold this complaint. She explained AXA's policy defined treatment as any medical services and so she was unpersuaded by Mr V's arguments about the distinction between diagnostic scans and treatment. She also said AXA made it clear to Mr V his specialist wasn't covered by the policy. Mr V, unhappy with her position, asked that an ombudsman consider his case.

In summary, he said AXA had approved his claim and paid some of the medical costs, which was contradictory to the conversation he had with it in October. He explained AXA didn't recommend other suitable specialists for him to see. He also said this unfairly raised his expectations that the treatment was covered. He reiterated scans and consultations aren't the same as treatment and that AXA should cover those costs. Mr V said he now has to pay for the treatment he received, which has affected him financially. And so, it's now for me to make a 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.

Having done so, I've also decided not to uphold it. I'll go on to explain my reasons in more detail, but in short, I think AXA was clear from the outset that treatment with Mr V's preferred specialist wasn't covered by the policy. I understand Mr V argued the sessions he had with the specialist shouldn't be classified as treatment, but I'm not persuaded by what he says about that. I'll explain why.

The Insurance Conduct of Business Sourcebook (ICOBS) is the relevant test in this case. ICOBS says AXA must handle claims promptly and fairly and must not reject a claim unreasonably. I've considered AXA's obligations under ICOBS when considering Mr V's complaint. To make sure AXA has complied with this rule, I've also considered the policy terms that support Mr V's cover.

The policy terms say;

"Making a claim

You need to call us before booking a consultation so we can find a specialist for you. We only pay for treatment with providers that we have helped you find. If you have treatment with a provider that we haven't helped you choose, you will have to pay the costs in full."

And;

"How your membership works

As you have the Guided Option all treatment will be with a specialist we have chosen for you...When you receive treatment we have agreed from a provider we have helped you choose, we can pay the treatment charges in full."

The reason I've highlighted these terms is because it sets out how AXA will address claims brought by Mr V. AXA said that because Mr V has a guided option plan, it means any treatment he needs must be provided by a specialist AXA approves. I understand Mr V had a preferred specialist in mind, but that wasn't an available option under his policy. When he called AXA on 16 October to discuss this, AXA explained that to him and said it wouldn't cover treatment if he went ahead with his preferred specialist.

The terms also say AXA will help Mr V choose a specialist, and so I've considered what AXA did in relation to that. On 17 October 2024, AXA emailed Mr V and said it wouldn't pay for treatment with his preferred specialist because he wasn't covered by the policy. It said Mr V could only see specialists at hospitals it selected for him and that if he decided to use his own specialist, then it wouldn't pay those costs. The email also gave instructions Mr V needed to follow should he want AXA to find a specialist and book an appointment.

I think this is important because it persuades me AXA not only told Mr V it wouldn't pay for treatment with his preferred specialist, but it also set out what he needed to do to receive treatment which would be covered by the policy. I also saw AXA told Mr V this in advance of his planned consultation on 4 November 2024, giving him enough time to make alternative arrangements. And so, although Mr V argued that AXA didn't provide him with other suitable specialists, I've not seen any evidence that he acted upon the information set out in the email of 17 October 2024.

Mr V explained that he was unclear whether the treatment, by that he means the consultations and scans, should actually be considered treatment. I understand the connection Mr V is attempting to make here – that the consultations and scan wouldn't have

cured his condition and therefore cannot be classified as treatment – but I'm not persuaded by that argument. I say that because Mr V's policy defines treatment as;

“surgical or medical services (including diagnostic tests) that are needed to diagnose, relieve or cure a disease, illness or injury”

So, whilst I understand Mr V would like me to consider his definition of *treatment* it's the policy's definition that's relevant in this case as that's the terms upon which his cover operates.

I've not seen any evidence of Mr V questioning AXA about the definition of treatment at the time. I think it reasonable to expect, had there been confusion about what he could see his preferred specialist for, he ought reasonably have asked AXA for clarification. The policy terms are clear that Mr V should consult AXA before undergoing any consultations or treatment. And so, although I accept Mr V's argument about that at face value, it still doesn't persuade me AXA should pay for treatment he received by an unrecognised specialist as defined by his policy.

I acknowledge some of Mr V's treatment was paid in error by AXA, for consultations he received on 4 November 2024 and 6 January 2025. Mr V argued that sets a precedence and AXA should pay for treatment it mistakenly authorised. But I disagree. I say that because I'm satisfied AXA was clear with Mr V from the outset his specialist was not covered by the guided option policy. And so, Mr V ought reasonably to have known not to expect AXA to cover those costs. And because these payments were authorised in error, AXA is entitled to reclaim that money back.

I've thought about whether this has raised Mr V's expectations that he could have treatment with his preferred specialist, and I think it probably did. Although I'm not persuaded AXA should pay him compensation for that because it told him in October 2024, before his first planned consultation, that he wasn't covered for treatment with his preferred specialist. And so, I think AXA did what I'd expect in the circumstances to manage Mr V's expectations.

And, but for Mr V's decision to continue with his preference, against AXA's advice, his expectations wouldn't have been unduly raised. Therefore, I make no award for any distress and inconvenience Mr V has experienced as a result of his decision to continue his treatment in the way he did.

My final decision

For the reasons I've explained, I don't uphold Mr V's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 27 November 2025.

Scott Slade
Ombudsman