

The complaint

Mrs M is unhappy that ActiveQuote Limited mis-sold her a private medical insurance policy.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my 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.

The relevant rules and industry guidelines say that ActiveQuote had a responsibility to ensure that the policy was suitable for Mrs M's demands and needs. They also needed to ensure she had enough information to decide if the policy was right for her.

There's no dispute that during the sale of the policy, where Mrs M was changing provider, the advisor failed to recognise the significance of Mrs M continuing to take medication following a breast cancer diagnosis many years ago. This means that, following the sale of the policy, Mrs M isn't covered under her new policy for any potential reoccurrence of the cancer.

It's therefore not in dispute that there were failings by the advisor during the sale. The key issue for me to decide is whether £1500 compensation for the distress and inconvenience caused is fair and reasonable. I think it is because:

- I think £1500 compensation fairly reflects the impact of the distress and inconvenience caused to Mrs M by what went wrong here. An award of £1500 is appropriate where the impact has caused substantial upset and worry. It also reflects that the impact will be felt over a sustained period. I'm satisfied Mrs M's distress and worry was substantial and the impact of ActiveQuote's mistake has been felt over a sustained period.
- I acknowledge that Mrs M has been left without the peace of mind that she wanted, which was important to her given that she had previously been diagnosed with an aggressive form of breast cancer and wanted ongoing reassurance of private check-ups. But I think an award of £1500 recognises that she has lost -that reassurance and the benefit of cover for private check-ups.
- I've thought carefully about Mrs M's representations that an award of £5000 would be more appropriate. However, I'm not persuaded that's fair and reasonable in the circumstances of this case. I'm pleased to see that Mrs M has been able to access check-ups and her medication via the NHS.
- Based on the available evidence, I don't think it's fair to conclude that this mistake has directly affected her physical health in the short or long term. That's not to

downplay the seriousness of ActiveQuote's error. However, I think £1500 compensation more fairly reflects the impact on Mrs M and acknowledges the inconvenience of having to access this support via the NHS and/or funding a private check-up.

Putting things right

ActiveQuote needs to put things right by paying Mrs M a total of £1500 compensation for poor customer service.

My final decision

I'm upholding this complaint and direct ActiveQuote Limited to put things right in the way I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 27 January 2026.

Anna Wilshaw
Ombudsman