

## **The complaint**

Mr M1 and Mr M2 complain that AXA PPP Healthcare Limited declined a claim on 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. I'll focus on giving the 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 AXA has a responsibility to handle claims promptly and fairly. And they shouldn't reject a claim unreasonably.

The policy terms contain an exclusion in relation to behavioural issues and AXA relied on that to decline the claim initially. However, I don't think that AXA acted fairly once they received further information from Mr M2's GP. I say that because:

- Whilst anxiety wasn't specifically mentioned in the first referral document AXA received I think it's reasonable to conclude that there were symptoms which could be also be linked to anxiety or wider mental health concerns. That included difficulty focusing, anger issues, forgetfulness, feeling sad and feelings of loneliness.
- The initial referral letter did refer to 'behavioural problems' as the suspected diagnosis. But I think it would have been reasonable for AXA to re-consider that in light of the further information from the GP which referred to anxiety. I think it would have been reasonable to authorise appointments for a diagnosis to be confirmed given that there was information which supported there could be mental health issues that needed to be explored.
- In any event, as I've outlined above, I think the wider context of the first referral notes, do broadly support that there were potential mental health and/or anxiety issues which could have existed in addition to behavioural problems or other excluded issues. So, I think it would have been reasonable for AXA to authorise sufficient appointments for a mental health diagnosis to be made.
- AXA has highlighted that the GP report was provided after the claim was declined. However, it's open to Mr M2 to provide more evidence in support of his claim and I think it was reasonable for him to do so. AXA hasn't pointed to any persuasive evidence that Mr M2 has attempted to mislead the insurer by seeking further medical information in support of the claim.

## **Putting things right**

Mr M1 feels that a total of £10 000 would fairly compensate he and Mr M2 for the experience he's had with AXA. I don't think that would be fair and reasonable in the circumstances of this case. I understand that Mr M1 has been inconvenienced but at the time AXA declined the claim there was no firm diagnosis. And, what's happened since AXA issued their final response letter, isn't something I can consider as part of this complaint.

I appreciate that Mr M1 is likely to be moving his custom to a different insurer but I don't think that means it is fair and reasonable to direct AXA to continue to pay for treatment. If Mr M1 changes his insurer the contract of insurance and the policy benefits end. And it's for Mr M1 to decide if he wants to continue with AXA or change providers who may not offer cover to Mr M2.

AXA weren't in a position to authorise ongoing treatment. But I think they were in a position to authorise sessions for diagnosis of potential anxiety and/or a mental health condition. So, I think £100 compensation more fairly reflects the impact of the claim decline on Mr M1 and Mr M2.

I'm directing AXA to put things right by:

- Authorising the initial session or sessions, in line with their relevant policy at the time, for a mental health assessment and diagnosis to take place.
- If a mental health condition is diagnosed AXA should review the costs Mr M has incurred for treatment and consider whether any benefit is due under the policy.
- Paying Mr M1 and Mr M2 a total of £100 compensation for the distress and inconvenience caused by declining the claim rather than authorising sessions for the purposes of diagnosis.

### **My final decision**

I'm partly upholding this complaint and direct AXA PPP Healthcare 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 Mr M1 and Mr M2 to accept or reject my decision before 13 November 2025.

Anna Wilshaw  
**Ombudsman**