

The complaint

Mr K and Miss K are unhappy with the way in which Aviva Insurance Limited handled a claim made on their private health insurance policy ('the policy') for treatment Miss K needed.

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.

Aviva has a regulatory obligation to handle insurance claims fairly and promptly.

Aviva's decision to not cover the claim in full

I know Mr K and Miss K will be very disappointed, but I'm satisfied Aviva has acted fairly and reasonably by relying on the policy terms to limit the amount it paid towards the treatment Miss K had.

The policy terms say:

Hospital lists

If you have a hospital list, hospital charges for in-patient and day-patient treatment are covered in full if you have treatment at a hospital on your hospital list, a facility on one of our networks or an NHS pay-bed at an NHS hospital.

If you receive treatment as an in-patient or day-patient in a hospital or facility that is not:

- included on your hospital list...

but is recognised by us, we will calculate the average cost of hospital charges for equivalent treatment across all hospitals on your list and that average cost is the maximum we will pay.

This could leave you with a shortfall that the policy does not cover. If the actual cost of the treatment is less than the average cost, we will pay the hospital costs in full. We will cover specialists' fees up to the limits in our fee schedule.

The certificate of insurance reflects that Mr K and Miss K had selected the Trust Hospital list.

The parties don't dispute that the hospital in which Miss K had treatment wasn't included within the Trust Hospital list (although I understand it is one that is recognised by Aviva and

part of other hospital lists it offers). The consultant was recognised by Aviva, and it had him listed as having practices at other medical facilities mentioned on the Trust Hospital list.

From the calls I've listened to between Mr K and Aviva's representatives, I'm satisfied that Mr K was told that if the operation went ahead at the hospital mentioned, Aviva would only contribute the average cost of the procedure across all hospitals on the Trust Hospital List. And that this would be around £2,000. Mr K (and Miss K) would be responsible for the shortfall.

I'm satisfied that this approach was in line with the policy terms.

I've considered whether this leads to a fair and reasonable outcome in the circumstances of this case. Whilst I do think Aviva should've provided better service to Mr K and Miss K (which I'll go into more detail about below), I don't think those issues mean that the claim should be covered in full outside the terms of the policy.

I appreciate that Mr K notified Aviva that the three consultants they'd originally provided details of weren't suitable and couldn't carry out the surgery Miss K needed. Based on what I've seen, I'm also satisfied on the balance of probabilities that Aviva didn't send out the details of other consultants which it said might be available to carry out the procedure at hospitals listed on the Trust Hospital list before Miss K went ahead with treatment.

However, I don't think it would be fair and reasonable for me to conclude that it was because of this failure, Mr K and Miss K decided to proceed with the option they did.

It was open to Mr K and Miss K to chase Aviva for those details. Instead, they chose to proceed with the consultant they'd found at a hospital not listed on their hospital list. That was of course a choice for them, and I can understand why they didn't want to unnecessarily delay matters. From what they say, I'm satisfied this was because they were keen for the operation to take place quickly as Miss K was in pain and was missing a lot of school.

I'm satisfied that Mr K and Miss K proceeded knowing that they'd be responsible for the shortfall in costs when they were free to chase Aviva reminding it to send further consultant choices for them to consider and contact.

I've also considered that Aviva's records indicated that the consultant chosen by Mr K and Miss K did have practices at two medical facilities listed on the Trust Hospital list. However, the consultant's secretary emailed Mr K to say that he only sees NHS patients at one of them.

Aviva has provided an email it received from the consultant reflecting that he has practice privileges for private patients at four hospitals, including two on the Trust Hospital list. Although he can operate at any of those four hospitals, he only runs clinics at those two facilities on the Trust Hospital list. Given his patient mix, he said his surgical practice is concentrated at the other two hospitals not on the Trust Hospital list.

So, I don't think the information Aviva provided Mr K was incorrect based on the information it had. And I don't think this detracts from Mr K and Miss K being made aware before going ahead with surgery that Aviva wouldn't meet the costs in full.

The way the claim was handled

Aviva accepts that it should've done more to help find an alternative specialist who was covered at a hospital listed on the Trust hospital list. It's apologised and offered £150 compensation.

I'm not persuaded that Miss K would've ended up being treated by a different consultant at a hospital on the Trust Hospital list. However, I agree that had Aviva provided better assistance to Mr K, this would've prevented him from having to keep contacting Aviva. That includes providing him with a list of suitable consultants at the outset. This would've also prevented Mr K from having to research those consultants only to find out that they don't undertake the procedure Miss K needed. I accept this also unnecessarily delayed matters and caused frustration, which would've impacted Mr K and Miss K. I'm satisfied that £300 compensation more fairly reflects the distress and inconvenience they both experienced.

Putting things right

I direct Aviva to pay Mr K and Miss K £300 compensation for distress and inconvenience. If already paid, it can deduct from this compensation amount, the sum of £150 it offered in its final response letter.

My final decision

I uphold this complaint but only to the extent set out above. I direct Aviva Insurance Limited to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K and Miss K to accept or reject my decision before 30 October 2025.

David Curtis-Johnson
Ombudsman