

The complaint

Mr R complains about AXA PPP Healthcare Limited's decision to withdraw therapy treatment under his private medical insurance cover.

What happened

Mr R is covered under a group private medical insurance policy with AXA. In December 2023, he injured his right knee playing sport. He had an X-ray and an MRI scan, and physiotherapy ('physio') was recommended. In February 2024, AXA agreed to cover 20 sessions of physio.

In April 2024, Mr R needed some surgeries on his knee, which AXA covered. These took place in May 2024, and AXA then authorised further physio after this.

In January 2025, AXA decided to withdraw cover for therapy treatment (including physio) for Mr R's right knee as it concluded that his condition fell under the policy definition of a chronic condition. It told Mr R that his cover would be withdrawn from 31 March 2025.

In February 2025, Mr R's knee was injured further during a physio session. He again needed surgery which took place that month, which AXA covered. But it still wouldn't cover any further physio.

Mr R was unhappy with AXA's decision and brought a complaint to this service. Whilst his case was with us, AXA accepted it ought to have offered Mr R two months post-operative physio and confirmed to him that he could claim for this.

Our investigator looked into things and recommended the complaint be upheld. She thought AXA hadn't shown that the chronic condition exclusion applied. She recommended that AXA continue dealing with Mr R's claim for physio treatment and also pay him £200 compensation for the distress and inconvenience he'd been caused.

AXA didn't agree with our investigator's recommendations, as it remained of the view that Mr R's condition would be considered chronic, as defined in the policy. Though it said it would pay him £100 compensation for failing to offer him post-operative physio.

As the parties couldn't reach an agreement, the matter has been passed to me for a 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.

Industry rules set out by the regulator (the Financial Conduct Authority) say insurers must not unreasonably reject a claim (which I think would include withdrawing cover so a consumer can't make a claim). I've taken these rules, and other industry guidance, into account when deciding what I think is fair and reasonable in the circumstances of Mr R's complaint.

The policy explains that AXA doesn't cover ongoing, recurring long-term treatment for chronic conditions. It defines 'chronic conditions' as:

'...a disease, illness or injury that has one or more of the following characteristics

- it needs ongoing or long-term monitoring through consultations, examinations, check-ups or tests*
- it needs ongoing or long-term control or relief of symptoms*
- it requires your rehabilitation, or for you to be specially trained to cope with it*
- it continues indefinitely*
- it has no known cure*
- it comes back or is likely to come back'*

AXA told Mr R that it thought his condition met the above definition in January 2025. It explained this decision was made on the basis that he had first started his treatment in February 2024, and it was still ongoing. I understand Mr R had received just over 30 physio sessions by this point.

AXA didn't ask Mr R's physiotherapist for any information before deciding his knee condition was chronic. Before reaching this decision, I would have expected AXA to have asked the physiotherapist about his condition and treatment, including when they thought the treatment would likely end. Instead, it seems AXA concluded the condition was chronic based on the length of time Mr R had been receiving treatment and/or the number of physio sessions he had received. I don't think that was reasonable.

In relying on the exclusion, the onus is on AXA to show it applies. Whilst I appreciate Mr R had received physio for nearly a year when AXA made its decision, it's also the case that partway through that year he'd had surgery on his knee. This would have interrupted the physio treatment he was initially receiving and may well have required different physio treatment afterwards.

AXA has said that it considers Mr R's knee problem required him to be specially trained to cope with it, as his physiotherapist gave him exercises to do. I'm not persuaded by this. It's usual practice for physiotherapists to give patients exercises to do in their own home, as part of their treatment. I don't think it's reasonable to say this means a patient has been specially trained to cope with a condition.

Although AXA says that Mr R requires ongoing physio for relief of symptoms, it hasn't provided any evidence in support of this. Mr R says his treatment had been working well and was coming to an end in early 2025 as his knee had improved. However, he then experienced a setback during a physio session in February 2025, and this led to him having further surgery. Mr R says his surgeon has told him that his knee will get back to normal function.

AXA didn't obtain any information from Mr R's physiotherapist or treating surgeon about this further injury. Whilst AXA says it ought to have offered Mr R two months post-operative physio, I haven't seen sufficient evidence to persuade me that it can limit this to two months due to his condition currently being chronic. However, I can't make a finding on what might happen in the future, and so AXA may well decide to stop covering further physio after a certain period of time or number of sessions if it considers Mr R's condition to be chronic at that point. If AXA does make this decision and Mr R is unhappy about it, he can bring a new complaint to this service, subject to the usual time limits.

As AXA hasn't reasonably shown that the exclusion relating to chronic conditions applies, I find that it acted unreasonably when it withdrew cover for therapy treatment for Mr R's knee. I therefore require it to reinstate this cover.

I agree with our investigator that Mr R has been caused distress and inconvenience by AXA's decision to withdraw therapy cover. I understand he didn't want physio straight after his surgery due to worries about his scar tissue, but he has missed out on physio that he likely could have been having for some months now. I haven't seen any evidence that this has affected Mr R's health or impacted his recovery, though nonetheless, I think this would have been frustrating and worrying for him. I require AXA to pay Mr R £200 compensation to recognise the impact caused to him by its decision.

My final decision

My final decision is that I uphold this complaint. I require AXA PPP Healthcare Limited to do the following:

- Reinstate Mr R's therapy cover
- Pay Mr R £200 compensation*

* AXA must pay the compensation within 28 days of the date on which we tell it Mr R accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 17 November 2025.

Chantelle Hurn-Ryan
Ombudsman