

## **The complaint**

Miss S is unhappy that AXA PPP Healthcare Limited provided notice to stop covering a claim made on a private health insurance policy on the basis that the condition had become chronic.

## **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.

AXA has a regulatory obligation to handle insurance claims fairly and promptly. And it mustn't unreasonably decline a claim.

It isn't disputed that AXA covered treatment for Miss S for almost three years. It ultimately decided to give Miss S notice in November 2024 that it would continue to fund treatment for anxiety, depression and associated conditions until May 2025 (equivalent to around 20 sessions) but after that it would end covering treatment. By that stage, AXA would be covering treatment for over three years.

I have a lot of empathy for Miss S. I can see that she's been through a difficult time and I can understand why she wanted cover for treatment to continue. However, for reasons I'll go onto explain, I'm satisfied that AXA has acted fairly and reasonably by giving notice that it would end cover for treatment as her condition had now become chronic.

The policy terms say that it's "designed to cover unexpected illness and conditions that respond quickly to treatment (acute conditions)".

An acute condition is defined as:

a disease, illness or injury that is likely to respond quickly to treatment that aims to return you to the state of health you were in immediately before suffering the disease, illness or injury, or that leads to your full recovery.

The policy terms also say:

This means that it may not cover you for treatment of conditions that are likely to last a longer time or come back (chronic conditions). However, there are particular situations where we can cover treatment for these kinds of conditions.

Chronic conditions are defined 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.

Given the frequency and duration of the treatment Miss S received up to the end of 2024, I'm satisfied that AXA fairly relied on the policy terms by concluding that her condition had become chronic; her condition required ongoing or long-term control or relief of symptoms.

When making this finding, I've taken into account Miss S's psychotherapist and consultant clinical supervisor's letter dated October 2024 ('the psychotherapist's letter'). This sets out a prognosis and says that with continuing therapy and support her symptoms will gradually improve. However, it supports that her condition requires ongoing control of symptoms.

I'm satisfied AXA also acted fairly by providing around six months' notice of its decision to stop providing cover for Miss S's condition so that she had time to investigate transferring to the NHS if she was unable to self-fund from May 2025.

### **Other issues**

AXA accepts that it made some errors in its final response letter dated January 2025. The author said they were truly saddened to hear of the passing of Miss S's parents. However, although one of Miss S' parents had very sadly been diagnosed with a terminal illness, they were alive. I accept this would've been upsetting for Miss S to read.

I can also understand why Miss S (reasonably in my view) felt this showed a lack of care when investigating her complaint about her cover ending – something that was very important to her in the circumstances. This would've been exacerbated by the author of the final response letter also saying that AXA hadn't received any updated medical evidence which it had requested. However, that wasn't correct as AXA had also been sent the psychotherapist's letter. I can understand why Miss S also felt that important medical evidence hadn't been considered when taking the decision to give notice to end cover for treatment she was having.

I was pleased to see that AXA very promptly apologised for these errors and confirmed that the appropriate team had actually reviewed the psychotherapist's letter when making the decision to extend cover in November 2024 (but not beyond May 2025). However, I don't think that negates the upset Miss S experienced – or the feeling that her concerns hadn't been adequately investigated.

I'm satisfied that AXA should pay Miss S £150 compensation to reflect the short-term impact on her at a time when she was situationally vulnerable.

Miss M is also unhappy that as well as anxiety, AXA also referred to her chronic condition relating to depression. Although the psychotherapist's letter refers to a diagnosis of generalised anxiety disorder, it reflects that she also had moderately severe depression ('but this must be seen in light of her recent bereavement'). Therefore, I don't think AXA acted unfairly by also making reference to depression when referring to the conditions she was

being treated for and considering whether they'd become chronic as defined by the policy terms.

### **My final decision**

I partially uphold this complaint to the extent set out above. I direct AXA PPP Healthcare Limited to pay Miss S £150 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 13 November 2025.

David Curtis-Johnson  
**Ombudsman**