

The complaint

Mrs F complains that Switch Health Limited mis-sold her a private medical insurance policy.

What happened

Mrs F received advice from Switch Health Limited as her private medical insurance policy premiums had increased. She switched provider and took out a cheaper policy. She's unhappy that the premiums of the policy increased and that the level of cancer cover isn't as comprehensive as she would like.

Switch Health Limited didn't think the policy had been mis-sold but they did acknowledge there had been some customer service issues. They offered £150 compensation to recognise the impact of this. In the meantime, Mrs F referred a complaint to the Financial Ombudsman Service.

Our investigator looked into what happened. She didn't think the policy had been mis-sold but she did think Mrs F's expectations in relation to the ongoing cost of the premiums could have been better managed. She recommended Switch Health Limited increase the compensation to £225.

Switch Health Limited accepted the investigator's recommendation but Mrs F asked an ombudsman to review her complaint. In summary, she said Switch Health Limited had made a further offer to pay her a monthly sum. She also highlighted that they'd accepted further failures since the involvement of the Financial Ombudsman Service. So, the complaint was referred to me to make 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.

The relevant rules and industry guidelines say that Switch Health Limited have a responsibility to ensure that the policy was suitable for Mrs F's demands and needs. And they also needed to give her enough information to decide if the policy was right for her.

I'm partly uphold Mrs F's complaint, but I think £225 compensation is fair and reasonable in the circumstances. I say that because:

- I'm not persuaded the policy was mis-sold. I think the recommendation of the policy was fair and reasonable bearing in mind what Mrs F said about the cost of her existing cover, her need for ongoing cover for existing conditions and her concerns about accessing treatment via the NHS. I don't think she highlighted that cancer cover was a particular priority and so, overall, I think the policy Switch Health Limited recommended was suitable for her demands and needs.
- I'm satisfied that Mrs F had enough information to decide if the policy was right for her. If she was uncertain about the benefits of cover, and had any queries, it was

open to her to contact Switch Health Limited to discuss it further and/or to cancel within the cooling off period.

- I do think Mrs F's expectations about changes to the premiums could have been better managed. I can understand why it was a surprise to her that the premiums increased significantly in the years following the sale. And, I think Mrs F didn't always receive a good service from Switch Health Limited. They've acknowledged this and I think compensation of £225 fairly reflects the impact of the distress and inconvenience caused by these failings.
- I'm not persuaded Mrs F would have most likely acted differently in relation to the sale of the policy if her expectations about the premiums had been better managed at the point of sale. In reaching that conclusion I bear in mind that she was significantly reducing the cost of her existing cover, obtained a discount and was able to access continuous cover for her existing conditions. So, on balance, I think it's likely she'd have still taken out the new policy even if she'd been aware the premiums might increase in the future.
- I appreciate that Switch Health Limited clarified the reasons for their offer of compensation, including the failings they'd identified, during our investigation into Mrs F's complaint. My decision considers all those failings, and I am satisfied a total of £225 compensation is fair and reasonable in the circumstances.
- Switch Health Limited isn't responsible for setting the price of the policy and/or what benefits are offered when a claim is made. That's the insurer's responsibility. So, those aren't issues Switch Health Limited could influence. And, based on the evidence that's available to me, I'm not persuaded the recommendation to take out this policy was unreasonable in all the circumstances.
- Mrs F asked Switch Health Limited for information about the commission they'd been paid. I can see that's now been provided to her. However, Mrs F didn't complain to the Financial Ombudsman Service about the commission charged. She complained about the sale of the policy, the suitability of the policy for her needs and the increase in the cost of the premiums. So, that's not something I've considered as part of this complaint as this didn't form the crux of Mrs F's complaint when it was referred to the Financial Ombudsman Service. Mrs F will need to complain to Switch Health Limited if she's unhappy with the level of commission.

Putting things right

Switch Health Limited need to put things right by paying Mrs F a total of £225 compensation for the distress and inconvenience caused by failings in their customer service.

My final decision

I'm partly upholding this complaint and direct Switch Health 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 F to accept or reject my decision before 27 January 2026.

Anna Wilshaw
Ombudsman