

The complaint

Mr W complains that BUPA Insurance Limited unfairly deducted costs from his out-patient allowance.

What happened

As both sides are familiar with the background to this complaint I have only summarised what happened below.

Mr W has access to a private medical insurance policy. It is a group policy provided by Mr W's employer, and it is underwritten by BUPA Insurance Limited who I'll call "BUPA" in the body of this decision.

Mr W was due to have an operation and, before it went ahead, attended a hospital for some pre-operative tests which included an ECG. A claim was made for those procedures which BUPA accepted, but when it deducted the costs of them from Mr W's outpatient allowance he complained.

Mr W didn't think the costs of his pre-operative tests should have been deducted from the outpatient allowance. He said the hospital that carried them out had no option but to call the costs outpatient fees, because the alternative was inpatient fees, but they were actually fees associated with a procedure and that procedure took place 24 hours later.

BUPA looked into Mr W's concerns but didn't uphold his complaint. It acknowledged the tests were required prior to Mr W's operation, but it said they had been done on an outpatient basis and did not form part of the hospital admission package price for his treatment. BUPA said such costs would have been paid in the same way for all other BUPA members with an outpatient allowance too, and that it would not be adjusting any of Mr W's claims and paying them under a different allowance.

Unhappy with what had happened Mr W approached this service and one of our investigators looked at what had happened.

That investigator didn't uphold Mr W's complaint. They thought BUPA had correctly paid the claim from the outpatient allowance, but Mr W disagreed and so as no agreement was reached the matter was passed to me to decide.

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.

Mr W's strength of feeling is clear. He has set out his position at length, and I thank him for taking the time to do so. Although I have only summarised what happened above, I have considered everything that has been said. I will highlight however that I'll not be addressing every argument raised. I will instead address those matters that I consider central to the outcome of this complaint.

Mr W may be further disappointed by this, but I will not be upholding his complaint for the following reasons:

- BUPA had a responsibility to handle Mr W's claim both promptly and fairly.
- The cover available to Mr W was set out in the relevant group policy documentation – namely the membership certificate and the policy guide which I'll call the policy terms and conditions from here.
- Those terms and conditions specifically defined an outpatient as meaning:

*"A patient who attends a hospital, consulting room, outpatient clinic or treatment facility and is not admitted as a **day patient** or **inpatient**."*

They also defined a day patient as meaning:

"A patient who is admitted to a hospital, treatment facility or day patient unit because they need a period of medically supervised recovery, but who does not occupy a bed overnight."

And an inpatient as meaning:

"A patient who is admitted to a hospital or treatment facility and who occupies a bed overnight (or for longer) for medical reasons."

- Mr W says the hospital had no choice but to call his costs outpatient fees – because they weren't inpatient fees, but fees associated with a procedure. I appreciate Mr W's thoughts on this, but I don't think it was unreasonable of BUPA to deduct those costs from the outpatient allowance here given he was seen as an outpatient, he wasn't admitted as an inpatient or day patient, and the policy explained what an outpatient was.
- Mr W also says that a more obvious and fair criteria for assessing such claims would be to consider whether the pre-operative treatment was wholly, exclusively and necessary for the inpatient treatment. He also says the pre-operative treatment he had was one and the same as day patient treatment because one could not happen without the other.

Again, I appreciate the position Mr W has taken here, but I can't agree that it would be fair of me to direct BUPA to assess Mr W's claim in that way. The group cover Mr W has with BUPA specifically sets out what outpatient means, and Mr W was not admitted to hospital for his pre-operative tests. Mr W is of course entitled to disagree with that definition and approach, but BUPA was entitled to assess his claim in line with it and the terms of the policy.

- I am aware that Mr W says he did go on to be admitted into hospital, just some 24 hours later for his operation, but that doesn't negate the terms of the policy. It is accepted that the pre-operative tests were required for the operation, but there is no evidence to demonstrate they were carried out on an inpatient or day patient basis. If Mr W is concerned about the way the hospital has categorised those tests that is something he'll need to direct to that facility.
- Mr W has raised concerns about BUPA's overall consistency in assessing claims, but like the investigator before me, the matter I am determining here is solely in relation to the way BUPA handled this claim. It would not be fair of me to comment on claims

that aren't related to that here.

- Mr W thinks there may be other claimants who have been similarly affected, and he's provided a wider article about BUPA which he says supports his position too. Though I thank Mr W for taking the time to provide this, I must reiterate that the matter I am deciding here relates to the specific circumstances of this complaint, and I remain of the opinion that it wasn't unreasonable of BUPA to deduct the above costs from the outpatient allowance for the reasons given above.
- Again, I realise Mr W will likely be further disappointed by this decision, but having considered everything that's been said I'm satisfied that BUPA handled this claim fairly and deducted the costs from Mr W's outpatient allowance in line with the relevant policy terms and conditions. I will not be interfering with its position because of that.

My final decision

My final decision is that I do not uphold this complaint against BUPA Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 6 January 2026.

Jade Alexander
Ombudsman