

The complaint

Mrs P is unhappy with the service she's received from Aviva Insurance Limited when her private medical insurance policy ('the policy') came up for renewal, and since.

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.

That includes all submissions made by Mrs P, which I'm thankful for. I mean no discourtesy but I'm not going to respond to each point made. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as we are an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I haven't. I'm satisfied I don't need to comment on every point to fulfil my statutory remit.

It isn't disputed that Mrs P contacted Aviva before the policy was due to renew and she was able to negotiate a discount on the premium quoted. She was ultimately quoted around £3,027 per year for the policy. She wanted to switch from paying the premium yearly to monthly (and was quoted to pay around £252 per month).

Aviva accepts it then made an error as it sent Mrs P a letter (dated 20 February 2025) reflecting her annual premium was around £2,525 – around £500 lower than the discounted premium she'd been quoted. I can understand why Mrs P feels let down by this error; she's been a longstanding and loyal customer of Aviva.

Aviva apologised for the impact of its mistake and offered Mrs P £150 compensation which, at her request, was sent to a named charity.

Mrs P would like Aviva to honour the premium quoted in its letter dated 20 February 2025. However, I'm not persuaded that's fair and reasonable.

Although I can understand why Mrs P is unhappy with Aviva's explanation that this was a system error, Aviva has explained that because Mrs P was changing paying the premium from yearly to monthly, the policy number changed. And the underlying price of the policy wasn't calculated properly. So, an error occurred.

Aviva has provided a breakdown of the two calculations, which I'm satisfied is commercially sensitive information. Although I won't be sharing this with Mrs P, I'd like to reassure her that based on what I've seen, I'm persuaded that the quote in the letter dated 20 February 2025 was incorrectly calculated. So, I don't think it would be fair and reasonable for me to direct Aviva to honour this lower amount.

I accept that receiving the erroneous quote, so soon after receiving the correct one, would've been very confusing. It also unfairly raised her expectations that she could be paying less for the same policy. I can see why Mrs P questioned this, and when doing so, I accept that she was put to unnecessary inconvenience (especially as it took some time for her calls to be answered). I'm satisfied Aviva promptly looked into what happened, apologised and accepted responsibility for the error. And I'm satisfied that £150 compensation fairly reflects the distress and inconvenience she experienced.

I've also considered what's happened since. Because Mrs P had queried the lower quote she'd received on 20 February 2025, payment for the policy was put on hold and not taken. In the circumstances, I think that's fair and reasonable.

I understand that payment still hasn't been taken, and renewal of the policy is on hold. However, I don't think I can reasonably hold Aviva responsible for this. From what I've seen, after Mrs P contacted Aviva shortly after the final response letter (querying when payment will be taken) – and before an impasse was reached - I'm satisfied it made reasonable attempts to contact Mrs P about paying for the policy but without success.

Mrs P says she's lost faith in Aviva because of what's happened. That may be the case but if she doesn't now pay the premium for the policy, there won't be cover. Aviva has said that it will renew the policy (back to 1 March 2025), if Mrs P pays the outstanding premium to bring payment up to date. And claims won't be covered under the policy until this is done. I know Aviva's initial error started the chain of events, but I think the position it's taken is reasonable. If Mrs P would like cover to continue, she is free to contact Aviva to arrange payment of the premium.

Mrs P is unhappy that when she was eventually sent the policy schedule after the intended renewal date (with the correct premium again quoted), it didn't say that there was full outpatient cover included. It only listed the optional features Mrs P had included. Whereas the original renewal documents did expressly state that full outpatient cover was included.

Aviva has confirmed that full outpatient cover is included as standard. I accept that as it's consistent with what's reflected in the table of benefits contained within the policy terms. So, when re-issuing the policy documents, it only included the optional benefits (which have been upgraded or downgraded).

As what was written wasn't mirrored on the original insurance documents Mrs P was sent before renewal, I can understand why Mrs P noticed this. However, from what I've seen, I'm not persuaded that she contacted Aviva to specifically question this (although she did raise the point with our investigator). If she had queried this with Aviva, I've got no reason to doubt that it wouldn't have confirmed that full outpatient cover was included as standard and that's why it wasn't listed on the certificate again. So, I don't think Aviva has acted unreasonably in this respect.

I know Mrs P will be disappointed with my decision. I hope it provides some reassurance to know that her complaint has been impartially considered by someone independent of the parties.

My final decision

I don't uphold this complaint. I'm not directing Aviva Insurance Limited to do anything more to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or

reject my decision before 14 November 2025.

David Curtis-Johnson
Ombudsman