

The complaint

Mr and Mrs H are unhappy that National Deposit Friendly Society Limited (National Deposit) declined their private medical insurance claim.

Any reference to National Deposit includes all its agents.

The policy is in joint names with Mr and Mrs H. For ease, however, I'll refer mainly to Mrs H as the claim concerns her.

What happened

In March 2024, Mr and Mrs H took out a private medical insurance policy, which is underwritten by National Deposit.

In May 2025, Mrs H was suffering from severe pain due to deep vein thrombosis (DVT). She contacted National Deposit for authorisation to see a consultant.

Mrs H had the consultation and surgery was recommended. National Deposit authorised diagnostic tests and the procedure, subject to the policy excess that applied. So, Mrs H scheduled the surgery.

National Deposit asked the consultant for the procedure codes and for the treatment plan. On receipt of this, National Deposit escalated the information to its clinical team who concluded that the treatment was classified as experimental under the terms of Mrs H's policy. So it informed Mrs H that the procedure wasn't covered under the policy.

Mrs H went ahead with the procedure. She asked National Deposit to authorise an additional overnight stay at the hospital as she had mobility issues, but it said it couldn't do this as it formed part of the overall procedure, which National Deposit said, had no cover on the policy.

Mrs H made a complaint to National Deposit. It maintained its decision to decline cover for the procedure, but it recognised that its communication wasn't clear about whether she had cover for the procedure and for the lateness of providing its decision. It offered £500 compensation for the distress and inconvenience caused to Mrs H.

National Deposit reviewed further comments Mrs H provided and then increased the compensation award to £2,000. This was to recognise that authorisation was given to Mrs H without having the full information about the procedure and expectations about any possible amendments were not appropriately communicated.

Unhappy Mrs H brought the complaint to this service. Our investigator didn't uphold the complaint. He didn't think the claim had been declined unfairly and he thought the compensation offered to Mrs H was fair and reasonable.

Mrs H disagreed and asked for the complaint to be referred to an ombudsman. So, it's been passed to me.

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 regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. I've taken those rules into account, amongst other relevant considerations, such as industry principles and rules, the policy terms and the available evidence, to decide whether I think National Deposit handled Mrs H's claim fairly.

It's important to point out that we're an informal dispute resolution service, set up as a free alternative to the courts for consumers. In deciding this complaint I've focused on what I consider to be the heart of the matter rather than commenting on every issue or point made in turn. This isn't intended as a discourtesy to Mrs H. Rather it reflects the informal nature of our service, its remit and my role in it.

I think it's also important to say that I'm not a medical expert and it's not for me to determine what medical treatment was necessary or appropriate for Mrs H. Instead, I've relied on the available medical evidence to decide whether I think National Deposit acted unfairly or unreasonably when relying on it and taking the action, it did.

The policy terms and conditions

Page 18 sets out what is not covered under the policy:

'2.15 Experimental treatment: We do not pay for treatments or remedies which are:

- *Experimental or unproven by established medical practice in the UK;*
- *Not recognised or regularly carried out by the NHS; or*
- *Not approved or licensed by the Medicines and Healthcare products Regulatory Agency (MHRA) or NICE (National Institute of Health and Care Excellence) and we won't pay for drugs used outside of the scope of their UK licence.'*

It's clear from the above that experimental treatment isn't covered on the policy. National Deposit says the claim is not covered under the policy because the procedure is not approved or licensed by NICE and it's not available on the NHS. Exclusions like this are common in private medical insurance policies and I don't think restricting the cover in this way is unfair.

I've therefore gone on to think about whether it was fair for National Deposit to decline the claim.

Has the claim been declined fairly?

Mrs H's consultant provided a letter which set out the detail of the procedure. This was referred to National Deposit's clinical team and the Chief Medical Officer (CMO) to review. At this point, National Deposit became aware that the procedure was experimental. That is, not recognised by the NHS and one that hadn't been approved by NICE. Mrs H was informed therefore that the treatment wasn't eligible for cover under her policy.

The procedure Mrs H had was mechanical thrombectomy. Both Mrs H and National Deposit have provided information about this procedure.

National Deposit says under the NICE guidelines for this procedure, the recommendations state: '*Current evidence on the safety of percutaneous mechanical thrombectomy for acute deep vein thrombosis (DVT) of the leg shows there are well-recognised but infrequent complications.*'

And it goes on to say that the guidance for acute iliofemoral DVT states that the evidence on efficacy is limited in quality and quantity, therefore this procedure should only be used with special arrangements for clinical governance, consent, and audit or research.

National Deposit also requested further information from the consultant who carried out the procedure. He confirmed that the procedure was new, with no procedure code. He also said Mrs H was not offered the surgery under the NHS, there are very few consultants in the UK who provide this treatment, and it has yet to be approved as a routine treatment within the NHS. He also confirmed he has only performed this procedure privately on self-pay patients.

Mrs H provided further comments to our investigator about the procedure. She says the NICE guidelines about this procedure states '*evidence on the safety and efficacy of the procedure is adequate to support its use with standard arrangements for clinical governance, consent and audit.*'

I haven't found this on the NICE guidelines. The guidelines for '*percutaneous mechanical thrombectomy for acute deep vein thrombosis of the leg*' states on the recommendations page, section 1.1: '*the evidence on efficacy is limited in quality and quantity, therefore this procedure should only be used with special arrangements for clinical governance, consent, and audit or research.*'

There's also no evidence that the procedure has been approved or is standard across the whole of the NHS. Instead, it seems a small number of NHS trusts are using this procedure with special arrangements in place for governance and clinical research. I note Mrs H sent a list of providers that use this procedure, but not all of these are NHS providers but also private. I don't think this is sufficient evidence to demonstrate that the procedure is recognised or regularly carried out across the NHS.

Based on the information provided by Mrs H's consultant and the information on the NICE website, I'm not persuaded the procedure has been approved by NICE and that it's not '*experimental*'. And information about this procedure does state that the next review will be taking place in August 2026. I also note that in her initial telephone calls to National Deposit, Mrs H informed the advisor that there is no code for the procedure and that it is new.

Mrs H says our investigator failed to properly weigh expert medical evidence and not taken into account the consultant's statement which says: '*percutaneous mechanical thrombectomy is available in a selected number of NHS trusts who have expertise and experience in dealing with DVT*'. I've had regard to the consultant's comments but, as I've said above, the procedure is conducted with special arrangements in place. The statement doesn't necessarily mean that the procedure is recognised and established across the NHS, but that it's available only in a selected number of NHS trusts with the correct expertise.

I've also considered Mrs H's comments about the consultant's experience. Whilst I've taken regard of it, it doesn't change my decision. There is no dispute about his experience here. I have complete empathy with the situation Mrs H has found herself in. But when making an independent and impartial decision, I must have regard to the policy terms and conditions when deciding what I think is fair and reasonable in the circumstances. In this case, I'm satisfied that National Deposit didn't act unfairly or unreasonably when considering the procedure to be experimental and not yet approved. As per the policy terms, I'm satisfied there is no cover for the procedure carried out.

Customer service

I understand that National Deposit has offered Mrs H £2,000 for the distress and inconvenience caused to her. Having taken everything into account, I think this is fair and reasonable in the circumstances of this complaint. I'll explain why.

Mrs H was led to believe that her procedure was going to be covered under the policy. She therefore arranged a consultation and the subsequent procedure to be carried out. She was only informed that the procedure won't be eligible for cover on the day of the surgery. And taking into account that she was worried about her condition and, if left much longer, it would potentially present serious health concerns, I can see why she went ahead with having the procedure, knowing that National Deposit wasn't going to provide cover. Whilst I understand why she went ahead, she did, nevertheless, do this knowingly. I've seen the transcript of the call where National Deposit made her aware on the day. Mrs H said to the advisor that this means she could have a huge bill. So she understood the potential implications.

I understand Mrs H's concerns, and I agree that National Deposit prematurely informed Mrs H that the procedure was authorised when it should have waited for the full information from the consultant, even if it meant it took a bit longer. National Deposit has accepted that this was an error, apologised and provided feedback to its staff.

This has however impacted Mrs H significantly - both emotionally and financially. But I note National Deposit's increased offer of compensation from £500 to £2,000 and having taken into account our published guidance on the payment of compensation for distress and inconvenience. I think this is fair and reasonable for the impact of the situation on Mrs H.

I realise Mrs H's strength of feeling and she is seeking a resolution where National Deposit accepts and pays her claim. But this would go outside the policy terms and conditions and ultimately, it did inform Mrs H that the claim wasn't covered (albeit later than I think was reasonable). I appreciate therefore that she believes £2,000 to be an insufficient amount. However, awards of compensation are primarily to reflect the impact on the consumer. I think the impact here has been significant and therefore I think the offer reflects this. This is in line with our general approach to awards of this nature.

Conclusion

Overall, I'm satisfied that National Deposit has declined Mrs H's claim fairly and in line with the policy terms and conditions. I also think the £2,000 offer of compensation is fair and reasonable based on everything that's happened. I'm sorry to disappoint Mrs H but it follows that I don't require National Deposit to do anything further.

If Mrs H wishes to accept the offer of compensation, she should contact National Deposit directly to confirm this.

My final decision

For the reasons given above, I don't uphold Mrs H's complaint about National Deposit Friendly Society Limited trading as National Deposit.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr H to accept or reject my decision before 2 March 2026.

Nimisha Radia

Ombudsman