DRN-6000868

The complaint

Mr D and Mrs D B, as trustees of the D B Trust, complain that Legal and General Assurance Society Limited declined to pay a critical illness claim, saying a policy exclusion applied.

What happened

The background to this complaint is well known to the parties, so I won't repeat all the details here. In brief summary, in late October 2024, Mrs D B took out Decreasing Term Life insurance with Critical illness Extra. Cover was applied for and accepted on the same day. The policy was placed into trust.

Most unfortunately, in early November 2024, Mr D and Mrs D B's child, who I'll call Z, was diagnosed with Type 1 Diabetes. Mrs D B made a claim on the policy under the children's critical illness provisions.

L&G accepted Z met the policy definition for a critical illness condition. But said an exclusion applied, because the symptoms of Z's condition arose prior to Mrs D B taking out cover. However, L&G accepted there'd been an avoidable delay in assessing the claim, apologising and offering £200 compensation.

Mrs D B complained, but L&G maintained its stance. So Mrs D B came to the Financial Ombudsman Service. Our investigator didn't uphold the complaint, so Mrs D B asked for an ombudsman to review everything and issue a final 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.

Having done so, I'm not upholding this complaint. I know this will be very unwelcome news for Mr D and Mrs D B and I'm sorry about that. I'll explain my reasons, focusing on the points and evidence I think are material to the outcome of the complaint. So if I don't mention something specifically, it's not because I haven't read and thought about it. Rather, I don't consider it changes things.

There's no dispute that Z was diagnosed with a critical illness covered under Mrs D B's policy. The issue here is whether L&G acted fairly in applying the exclusion for symptoms arising before the date of cover. The relevant policy term is:

> *'We will not pay a claim if the symptoms first arose before the relevant child was covered.'*

L&G relied on entries in Z's medical records to say the exclusion applied. I've reviewed the medical evidence provided.

Mrs D B contacted her GP surgery in early November 2024. The records note that Mrs D B called as she felt Z had been bedwetting for the last two weeks. She had also noticed Z was drinking more fluids – *'double amount and output increased also.'* Mrs D B was asked to drop off a urine sample for a dip test.

The same day, the medical record notes:

> *'Urinalysis positive for glucose nil else. Advised Mum that [Z] will require blood test to check Hba1c.'*

The following morning Mrs D B was told Z would need to go to hospital for the blood test. Z was admitted the same day, following a diagnosis of Type 1 Diabetes. Z was kept in hospital over the weekend, until the diabetes team could formulate a diabetes plan. The Discharge Summary notes:

> *'Z was admitted with a 2/52 hx of polydipsia and polyuria with lethargy. Has had uncharacteristic episodes of bedwetting.'*

When assessing the claim, L&G noted that symptoms of polydipsia and polyuria (resulting in bedwetting) were typical and specific onset / presentation symptoms of diabetes. And the reported history of symptoms for two weeks pre-dated the start of the policy.

I acknowledge that the timing in this complaint is very unfortunate for Mr D and Mrs D B. The references to symptoms having been present for two weeks means that, by a few days, those symptoms pre-date the start of the policy. And it's the start date of the policy that's the critical date here. But having reviewed the evidence, I don't think L&G acted unfairly in applying the exclusion in Z's case.

Mrs D B has said that symptoms were initially minor and non-specific, the later more critical symptoms not manifesting until after the policy began. She argues the connection between the initial mild symptoms and the final diagnosis was only identifiable with the benefit of hindsight.

I can understand Mrs D B's argument and her frustration with what she sees as the injustice of this situation, particularly as Mrs D B has said the provider of Mr D's policy accepted and paid his critical illness claim for Z. But I can only look at the actions of L&G against the terms of Mrs D B's policy. And the issue here is not about whether symptoms were initially more minor, or about what Mrs D B understood regarding Z's health circumstances at the time. The policy term is simply about the presence of symptoms pre-dating the start of cover. I'm satisfied the symptoms Mrs D B reported to her surgery were symptoms of the condition that Z was later diagnosed with. And Z had been experiencing those symptoms before the policy started.

I understand Mrs D B also disputes the dates in the medical records. But I still think it was reasonable for L&G to rely on the medical notes as the contemporaneous record of what Mrs D B discussed with medical practitioners. So I don't think L&G acted unreasonably in declining Mrs D B's claim.

Finally, I've looked at the claim timeline and noted that after all the necessary paperwork had been received and initial checks completed, the claim was recorded as 'ok to proceed' in early January 2025. But things didn't proceed until early March 2025, causing additional distress and inconvenience whilst the claim decision was awaited. L&G rightly recognised this in its complaint response, offering and subsequently paying £200 compensation. Overall, I think this reasonably reflected the impact of L&G's customer service failing.

Given what I've said above, I don't think L&G needs to do anything more in respect of this complaint. Once again, I'm sorry to send disappointing news to Mr D and Mrs D B.

My final decision

My final decision is that I do not uphold this complaint.

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

Jo Chilvers
Ombudsman