

The complaint

Mr and Mrs D complain that Vitality Health Limited is pursuing them for a debt, and cancelled a private medical insurance policy, for premiums which they say they never agreed to pay.

What happened

Mr D held a private medical insurance policy, provided by Vitality. Vitality issued multiple quotations for the 2023-2024 policy, at Mr D's request, and Mrs D was ultimately added to the policy for that year.

Mr D paid to renew the policy for himself at the 2024-2025 policy renewal, but Vitality subsequently cancelled the policy and refunded those premiums to Mr D. Vitality did this because it said Mr D owed premiums of £4499.08 for adding Mrs D to the policy in 2023-2024. Mr D disputed this and said he had never agreed to that.

Unhappy, Mr and Mrs D complained to Vitality before bringing the matter to the attention of our Service. One of our Investigators looked into what had happened and said he didn't think Vitality had acted unfairly or unreasonably in the circumstances. Mr and Mrs D didn't agree with our Investigator's opinion, so the complaint was referred to me.

I asked Vitality whether it was prepared to reconsider its position. Vitality responded with additional information, which I addressed within my provisional decision of 8 December 2025. My provisional decision said:

'Both Mr and Mrs D and Vitality have provided detailed submissions about what happened. I've carefully thought about everything both parties have said. If I haven't specifically addressed a particular submission, it's not because I haven't taken it into account. In line with our Service's remit as an informal alternative to the civil courts, I've considered the complaint as a whole to make an independent and impartial decision about what I think is fair and reasonable in the overall circumstances, and I've only made findings about what I consider to be the key issues.'

Industry rules set out by the regulator, the Financial Conduct Authority, require insurers to communicate information to consumers which is clear, fair and not misleading. Consumer Duty principles require firms to support customer understanding in its communications. I've taken these rules, alongside other relevant considerations such as the law, into account when making this provisional decision. Having done so, I'm not satisfied that Vitality has acted fairly or reasonably in the circumstances, and I'll explain why:

- *Mr D agreed to add Mrs D to the policy for the 2023-2024 policy year in an email dated 14 December 2023. This was in response to a quotation of £2399.69 (not £4499.08). Vitality's notes from the same day say Mrs D was added to the policy for a total premium of £2393.03. Vitality's notes show this price was then manually adjusted on 3 January 2024 to a figure of £4499.08 with no explanation as to why, following noted confusion on Vitality's part as to where the figures being quoted were coming from.*

- Vitality's response to this is that Mr D was given various quotes, which I accept. Vitality says, at the point of the quote for £2399.69, Mr D hadn't yet changed the outpatient benefit, so it couldn't have given him a quote of £4499.08. I also accept this. And I've seen a quotation for a total premium of £9361.92 for both Mr and Mrs D dated 14 December 2023 (which would equate to a premium of £4499.08 for Mrs D). However, I don't think Vitality has evidenced that this quotation was ever agreed to by Mr D.
- Mr D was sent an update dated 18 December 2023 showing that Mrs D had been added to the policy, with £2393.03 being due as an additional premium by November 2024. And an email from Vitality in January 2025 referred to the same figure. Mr D had paid an additional premium of £2601.96 on 16 December 2023. While this in fact related to a change in Mr D's own cover I'm satisfied, based on Mr D's testimony and taking into account the sequence of events and what I think were the confusing and unclear communications which Vitality issued to Mr D, that Mr D believed this additional premium related to Mrs D's cover for the 2023-2024 policy year.
- A letter from Vitality dated 19 December 2023 says Mrs D was added to the policy on 18 December 2023. This information doesn't correlate with Vitality's records, which say the policy was amended on 15 December 2023. And the figures of £4708.01 and £2393.03 quoted in this letter don't match up with Vitality's stance as to the amount which it says Mr and Mrs D owe either.
- Vitality has stated it doesn't have all the emails it sent in 2023. It has provided a screenshot of six renewal quotations from 13 December 2023 and 14 December 2023, one of which is for a total of £9361.92. However, this quote is stated to be 'Withdrawn'. In light of the discrepancies in the information provided by Vitality which I've set out within this provisional decision, I don't think this is persuasive evidence that Mr D agreed to renew the contract at that price.
- Vitality's internal notes say Mr D never received any documents confirming the exact balance and say, 'it's a case of piecing documents together'. This doesn't comply with industry standards required by the regulator and isn't treating customers fairly.
- Vitality's final response letter refers to a call having taken place with Mr D on 14 December 2023, during which a quotation for a total of £9361.92 was provided for the renewal. Vitality says it doesn't have a copy of this call. Based on the circumstances here, I can't fairly accept this price was agreed to by Mr D during the call. I should point out to Mr D that Vitality cannot provide transcripts of call recordings which it can no longer access.
- Vitality's argument that Mr D must have been aware that the actual cost to add Mrs D to the policy would be higher than £2393.03 doesn't remove Vitality's requirements to comply with regulatory rules. And an email sent by Mr D to Vitality on 17 December 2023, while asking for confirmation that Mrs D's cover matched his own, doesn't demonstrate that Mr D agreed to the premiums which Vitality says are owed.
- I appreciate there are inconsistencies in some of Mr D's recollection of events. I think this is understandable given the circumstances and I don't think this demonstrates Mr D set out to obtain higher cover for a lower cost. I also understand the situation, as is noted in Vitality's system notes was 'complicated', but Vitality has an obligation to provide information to customers in a clear, fair, not misleading and understandable way and I don't think it has demonstrated that it did this.
- Overall, I don't think Vitality has evidenced that Mr D agreed to make changes to the

policy at the price Vitality is saying. I don't think that screenshots of Vitality's computer system showing an amount owed is persuasive evidence that this is the sum actually owed when considered in light of all the surrounding circumstances here. And I'm not bound by, and I don't agree with, the opinion our Investigator reached.

- *A policy for Mrs D did exist, regardless of what Vitality may have told Mr D at one point in an email. And I think Mr D was aware this policy existed based on emails he sent to Vitality in 2024. Overall, I'm satisfied that Mr D entered into an agreement with Vitality to add Mrs D to the policy, and I'm persuaded, on the balance of probabilities, that Mr D thought this was for a price of around £2,300. I think it's unlikely Mr D would have agreed to the price which Vitality says was accepted by him.*
- *Vitality didn't notify Mr and Mrs D that any payments were outstanding during the life of the 2023-2024 policy, even when claims were made. Vitality says this is because of how the plan was set up, and any adjustments post-renewal (as the addition of Mrs D to the policy was) are due at the end of the period. Vitality didn't notify Mr D that premiums were outstanding for the 2023-2024 policy year until after Mr D had already paid the premiums for the 2024-2025 policy year up-front. I don't think this was fair or reasonable in the circumstances.*
- *Vitality then cancelled the 2024-2025 policy leaving Mr D, who is in a vulnerable position because of his age and health, without private medical insurance cover. Even if I accept that the policy terms and conditions allow Vitality to cancel a policy because of premiums outstanding from a previous year, I don't think Vitality's actions in doing so were fair or reasonable in the circumstances. And I don't think Vitality took Mr and Mrs D's specific situation into account when acting as it did, as I'd have expected it to.*
- *Not only was Mr D left without cover during a time when he was suffering from significant health issues, he has since been contacted by a debt collector about the amount which Vitality says is owed. I have no doubt this will have caused him and Mrs D additional stress and worry.*
- *I accept Mrs D benefitted from claims under this policy, and that Vitality was never paid for her cover – although, for the avoidance of doubt, I should say again that I don't think Vitality has demonstrated that Mr D agreed to pay £4499.08.*
- *Based on the very specific circumstances of this individual case, and taking into account what I think is the sustained and severe impact Vitality's actions have had on Mr and Mrs D, I'm satisfied the fair and reasonable outcome in this case is for Vitality to write-off the premium arrears, without seeking to reclaim the claims paid to Mrs D.*
- *I also think it would be fair and reasonable in the circumstances for Vitality to reinstate the private medical insurance policy for Mr D only, on the same moratorium and excess terms as before, subject to the payment of the relevant premium. If, for whatever reason, Vitality cannot do this then it should let me know in response to my provisional decision.*
- *If, upon reinstatement of the policy, Mr D wishes to submit any claims for events which have happened since the policy was cancelled, then I'd expect Vitality to consider these. Any subsequent dispute about such claims, or indeed about the premium due for reinstating the policy would need to be directed to Vitality in the first instance as a new complaint before our Service would have the power to consider*

the matter.'

Mr and Mrs D accepted my provisional findings but raised questions about reinstatement of the policy. Vitality responded to my provisional decision and questioned whether I'd received information it had provided, as it said the submissions it had made weren't considered.

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.

My provisional findings were for Vitality to reinstate the policy for Mr D only. Mr D didn't renew Mrs D's policy in 2024-2025 and I don't think it's fair or reasonable in the circumstances to require Vitality to reinstate a policy which Mrs D never held.

In the absence of any submissions from Vitality about the reinstatement of Mr D's policy in response to my provisional decision, I'd expect it to do this from the date it cancelled the 2024-2025 policy, subject to the payment of the relevant premium.

I understand Mr D says he wasn't able to afford private medical treatment which may otherwise have been covered under the 2024-2025 policy which Vitality cancelled. I've taken this into account when recommending what I think is fair and reasonable redress in this case, having also had regard to the fact that some premiums would have been due and owing to Vitality for Mrs D's cover in 2023-2024 and that claims were paid under her policy.

My provisional decision confirmed I considered the additional information which Vitality provided to me. For the avoidance of doubt, this was the evidence contained within and attached to Vitality's email to our Service dated 1 December 2025. My provisional findings explain in some detail why I don't think the information which Vitality provided supports its position and my provisional decision includes specific reference to Mr D's email to Vitality of 17 December 2023. I'm satisfied my provisional decision sets out the reasons why I think it's fair and reasonable for this complaint to be upheld, and I don't have anything further to add to what I've already said about the evidence Vitality sent us.

I've now also considered Vitality's response to my provisional decision dated 19 December 2025. It's not up to Mr and Mrs D to provide clarification about their actions – it's for Vitality to demonstrate that it has provided information to Mr and Mrs D which is understandable as well as clear, fair and not misleading. I've explained why I don't think Vitality has done this, so I won't be changing my provisional decision.

Putting things right

Vitality Health Limited needs to put things right and do the following:

- write-off the premium arrears which it says are owing to it, without seeking to reclaim the claims paid to Mrs D;
- reinstate Mr D's private medical insurance policy on the same moratorium and excess terms as before, subject to the payment of the relevant premium.

My final decision

I'm upholding Mr and Mrs D's complaint about Vitality Health Limited, and I direct it 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 D and Mr D to

accept or reject my decision before 2 February 2026.

Leah Nagle
Ombudsman