

## **The complaint**

Mrs T's complained that Royal London Mutual Insurance Society Limited ("RL") declined her critical illness claim because they said it wasn't a condition covered by the policy she bought in 2016.

## **What happened**

In 2016, Mrs T bought a decreasing term life and critical illness policy from RL through a broker.

At the start of 2025, Mrs T was diagnosed with a borderline mucinous cystadenoma and an ovarian torsion, requiring immediate surgery. Following this, she made a claim on her critical illness policy.

RL assessed her claim and declined it. They told Mrs T that, while more recent policies would have covered the condition she was diagnosed with, her policy didn't. Mrs T complained, saying that RL had never advised her to upgrade her policy – which she would have done if she'd been made aware that the number of conditions covered had been expanded.

In their response to the complaint, RL said they'd been wrong to tell Mrs T they could have settled the claim under their most recent terms and Mrs T's condition wouldn't have met the criteria of any of their policy terms. They offered her £150 compensation for giving her wrong information. But they said the policy cover didn't change after the start date and it was up to customers to ensure the cover they have is suitable for their needs.

Following a further letter from Mrs T, RL altered their position and said that they could have considered her condition under their most recent policy terms. But that assessment would have been based on medical evidence to establish whether the term had been met. And that they wouldn't do this in Mrs T's case, because any claim she made would be assessed against the policy terms from when she bought the policy in 2016.

Mrs T didn't think RL's response resolved her complaint and brought it to our service. Our investigator reviewed the information provided by both parties and concluded RL didn't need to do any more than they'd offered to resolve Mrs T's complaint. He said it's not unusual for insurers to improve the cover they offer. But cover doesn't change once the policy starts. And he thought the £150 compensation RL had offered was reasonable for not making their position clear.

Mrs T didn't agree with our investigator's view. So I've been asked to make 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 that, I'm not directing RL to do any more than they've already offered to resolve Mrs T's complaint. I know Mrs T will be disappointed by my decision and I'm sorry about that. I hope it will help if I explain why I've made it.

I understand why Mrs T's upset. She bought a policy to provide some security in the event of being diagnosed with a serious medical condition. But, when that happened, she wasn't covered.

No critical illness policy covers every eventuality. Instead, they provide cover for specific conditions listed within the policy terms, as long as any conditions are met. Unfortunately for Mrs T, RL concluded the policy she bought in 2016 didn't cover what she was diagnosed with. Mrs T hasn't asked us to review that decision. But she says RL should have advised her that they'd expanded the cover they offered and given her the opportunity to "upgrade" to a policy which she believes would have allowed her to make a successful claim and has asked us to direct her claim is considered using the 2024 terms. I've thought about this.

When a customer buys a life and critical illness policy, they're required to complete a detailed application, including a medical questionnaire. Insurers use that information to decide whether to offer the customer a policy and – if they do – at what premium. Insurers can also use this information to decide to decline cover, or offer it subject to certain exclusions.

In this case, RL decided to offer Mrs T cover at the price they did for the conditions set out in the 2016 policy. That's the cover Mrs T has paid for. So, while I'm very sorry her condition wasn't covered, I can't say RL have done anything wrong by not assessing her claim against more recent terms. Because of that conclusion, I haven't considered whether her condition would have been covered by the 2024 terms. Even if I could, I wouldn't expect RL to settle a claim without obtaining medical evidence to see if the policy conditions had been met.

Mrs T also complained RL didn't give her the chance to "upgrade" her policy. I understand her view. But the process is not as straightforward as an insurer expanding the conditions they cover and asking the customer if they want to add this to their policy. The customer would have to complete a new application and medical questionnaire for the insurer to again decide whether to offer the cover, exclude conditions and to set the new premium. The premium would almost certainly change because, even if there had been no medical changes, factors such as age are also taken into account.

And, while I know Mrs T doesn't agree, I also have to take into account the fact that RL can't provide their policyholders with advice about whether to buy their policies. That is the role of financial advisers or brokers. It would be for the broker who sold Mrs T her policy to advise her on whether, when, and how to amend it – not RL. If Mrs T feels she wasn't properly advised about this, she would need to make a separate complaint to the broker she dealt with in 2016.

I've explained above why I don't think RL need to review their claim decision. But I do agree with our investigator that they didn't provide Mrs T with the service they should have when they gave her confusing and irrelevant information about whether her condition would be covered under their 2024 terms. I understand RL offered, but haven't paid, £150 compensation. I think that's a reasonable amount to address what went wrong and they should now pay this to Mrs T. But I don't think they need to more than that to resolve her complaint.

### **My final decision**

For the reasons I've explained, I'm directing Royal London Mutual Insurance Society Limited to pay Mrs T the £150 compensation they previously offered to resolve her complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 26 February 2026.

Helen Stacey  
**Ombudsman**