

The complaint

Mrs P's complained that Legal and General Assurance Society Limited ("L&G") unfairly declined the critical illness claim she made and cancelled her policy after she was diagnosed with multiple sclerosis.

What happened

In summer 2023, Mrs P bought a life and critical illness policy from L&G.

In summer 2025, Mrs P was diagnosed with multiple sclerosis. So she made a claim on her critical illness policy. L&G reviewed the available evidence – including Mrs P's medical records – and declined the claim. They said that Mrs P hadn't answered several of the health questions in her application accurately. If she had, L&G said they would never have offered her cover. So, in addition to declining the claim, they cancelled Mrs P's policy and refunded the premiums she'd paid.

Mrs P complained, saying there was no indication that she'd had multiple sclerosis when she'd applied for the policy. L&G didn't disagree. But they said she hadn't only been asked if she'd been diagnosed with any condition. She was also asked about symptoms – which she hadn't disclosed. So they didn't change their decision to decline the claim.

Mrs P wasn't satisfied with L&G's response and brought her complaint to our service. Our investigator reviewed the information provided by both parties and concluded L&G didn't need to do anything different to resolve matters. She was satisfied that it was fair to say, from the records they reviewed, that Mrs P hadn't answered the application questions as she should have - so she'd made a misrepresentation. And she said L&G had dealt with that misrepresentation in line with the Consumer Information (Disclosure and Representations) Act 2012 ("CIDRA") – which was what we'd expect them to do.

Mrs P 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 upholding Mrs P's complaint. I know she'll be disappointed by my decision and I'm sorry about that. I hope it will help if I explain why I've made it.

My role is to decide whether L&G's decision to decline Mrs P's claim and cancel her policy was fair, reasonable and in line with the relevant law. The relevant law in this case is CIDRA. This requires consumers to take reasonable care not to make a misrepresentation when taking out a consumer insurance contract (a policy). The standard of care is that of a reasonable consumer.

And if a consumer fails to do this, the insurer has certain remedies - provided the misrepresentation is what CIDRA describes as a "qualifying misrepresentation". For it to be a

qualifying misrepresentation, the insurer has to show it would have offered the policy on different terms, or not at all, if the consumer hadn't made the misrepresentation.

CIDRA sets out a number of considerations for deciding whether the consumer failed to take reasonable care. And the remedy available to the insurer under CIDRA depends on whether the qualifying misrepresentation was deliberate or reckless, or careless.

In this case, L&G say Mrs P made a misrepresentation when she answered "no" to the questions:

"Apart from anything you've already told us about in this application, during the last 5 years have you been in contact with a doctor, nurse or other health professional for:

- ...
- *lupus, fibromyalgia, gout or any type of arthritis, neck, back, spine or joint trouble, for example rheumatoid arthritis, sciatica?*
- ...
- *any condition affecting your eyes or vision, not wholly corrected by spectacles, lenses or laser treatment, for example cataract, blindness?*
- ...
- *paralysis, numbness, persistent tingling or pins and needles, tremor, facial pain other than dental pain or memory loss, dizziness or balance problems?"*

L&G say her medical records show Mrs P should have answered "yes". Mrs P said she gave the answers she did because she thought her joint pain was caused by an infection or Covid-19. And her GP said her dizziness and blurred vision was due to needing the correct prescription glasses. At no point before her diagnosis did she think she had multiple sclerosis and all of the symptoms recorded in her medical records were short-term and had resolved.

Nothing I've seen in the documentation suggests that Mrs P knew about her multiple sclerosis before 2025. But the questions above don't only ask about diagnosed conditions – they also ask about a range of symptoms. Insurers like L&G use the answers provided to decide whether to offer someone cover, on what terms, and at what cost. So if they're not answered accurately, L&G can't assess that correctly.

Mrs P's medical records show she consulted her GP about pain in her joints two weeks before she applied for the policy. Her GP's notes record that she'd been suffered from joint pain all over her body in the two weeks prior to that.

The records do show that Mrs P's GP told her to see an optician about her blurred vision in autumn 2021. But there are also notes from 2022 about continued issues with her vision, including a hospital appointment with a consultant ophthalmologist, and notes from early 2022 about Mrs P suffering dizziness over some weeks.

I think the questions above make it clear that L&G wanted to know about Mrs P's eye issues, dizziness and joint pain – regardless of the cause. And, even if Mrs P wasn't sure whether to tell L&G about these issues, the sections in which they appear start with the statement:

"When answering the following questions, if you're unsure whether to tell us about a medical condition, please tell us anyway."

In all the circumstances, I don't agree with Mrs P's submission that these were minor issues which are being re-interpreted after the event. The answers Mrs P gave to the questions didn't disclose the health issues she had had. So I think it was reasonable for L&G to conclude that, by giving the answers she did, Mrs P made a misrepresentation.

And I'm satisfied that was a qualifying misrepresentation within the meaning set out in CIDRA, because L&G have provided evidence that, if Mrs P had answered the questions differently, they wouldn't have offered her critical illness cover.

Finally, I've thought about how L&G have categorised the misrepresentation. This is relevant because CIDRA sets out different steps for the insurer, depending on whether they categorise the misrepresentation as deliberate/reckless, or as careless.

L&G have categorised Mrs P's misrepresentation as careless. The Association of British Insurers' Code of Practice sets out that careless misrepresentation:

"...includes anything from an understandable oversight, or an inadvertent mistake, to serious negligence."

I think it's fair to say Mrs P's oversight falls within this definition.

Where the misrepresentation is careless, CIDRA says that, if the insurer wouldn't have entered into the contract – that is to say, wouldn't have accepted Mrs P's application – if she'd answered the questions accurately, they may void the policy, but must refund the premiums. That's what L&G have done here. And so I don't think they need to do any more to resolve Mrs P's complaint.

My final decision

For the reasons I've explained, I'm not upholding Mrs P's complaint about Legal and General Assurance Society Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 14 May 2026.

Helen Stacey
Ombudsman