complaint

Mr and Mrs S complain that Vitality Health Limited unfairly and unreasonably rejected a claim under a private health insurance policy. They want the claim accepted and future continuing treatment covered.

background

Mr and Mrs S are the beneficiaries of a Vitality group private medical insurance scheme taken out by Mr S' employer. Mrs S needed counselling in 2018 as she was anxious; she had post traumatic stress disorder ("PTSD") from 2008 onwards but hadn't needed treatment or medical assistance with the condition for over five years before 2018. Mr S said when he contacted Vitality, he was told there was cover for this and counselling could be provided through its preferred supplier. He also said that he explained Mrs S needed to see a specialist near home, and was told if there wasn't one available through the preferred supplier, Mrs S could see someone who met her needs and claim the money back.

Mrs S did see a counsellor outside of the preferred supplier and made a claim. Vitality asked for a GP report, which took about three months to obtain while Mrs S was continuing with her treatment (and paying the fees). The claim was rejected as the counsellor wasn't from the preferred supplier. Mr S accepted that if he'd known this earlier, Mrs S still would've gone to see the specialist she saw, but felt Vitality hadn't acted fairly or reasonably.

Mr S complained to Vitality. It said that the terms and conditions of the policy made it clear that treatment had to be authorised in advance, and the consultant either chosen by Vitality or referred by a Vitality GP or its preferred supplier. Vitality said that Mr S was told in September 2018 that the counsellor chosen by Mrs S wasn't on its panel, and they had to use someone booked through its preferred supplier. It didn't agree that Mr S had been given mis-leading information, and said that there were suitable counsellors available in the local area who could've been selected. Vitality also said that Mrs S' counsellor could register with the preferred supplier, but treatment wouldn't be retrospectively covered.

Mr S complained to us. The investigator's view was that the policy terms and conditions made it clear that only treatment from a recognised provider would be covered and this was what Mr S was told when he called Vitality. He also said Vitality did tell Mr S that if the counsellor registered with it, treatment carried out before registration wouldn't be covered, and that Mrs S had to go through the preferred supplier. The investigator said Vitality had shown that there were suitable counsellors in the area available through the preferred supplier and didn't uphold the complaint.

Mr S felt Vitality was hiding behind the wording of the policy and wanted an ombudsman's decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The relevant rules and industry guidelines say that Vitality has a responsibility to handle claims promptly and fairly. And it shouldn't reject a claim unreasonably.

I've looked at the wording of the policy, and it clearly says due to the type of policy chosen by Mr S' employer, the counsellor must be chosen by Vitality or its preferred supplier, or picked by a Vitality GP. A counsellor who isn't registered with Vitality isn't covered. This is repeated in the claim form completed by Mr S.

I also listened to Mr S' call with Vitality. I don't think he was given mis-leading information. I note that when Mr S first contacted Vitality, Mrs S had already chosen her counsellor, but hadn't started treatment. Mr S was told that the counsellor wasn't registered with Vitality and he had to go through the preferred supplier. Mr S was also told that if there was no suitable counsellor in the local area, it would be possible for the chosen counsellor to be registered, but no treatment carried out before registration would be covered. In my view, it was clear that registration and use of the preferred supplier was required to be covered by the policy.

I note that Vitality was willing to fund one course of treatment, even though arguably Mrs S is suffering from a chronic condition. This is fair and reasonable, but it doesn't mean that the costs of treatment from a non-approved counsellor should be covered.

Mr S complains that Vitality should've told him later that the counsellor wasn't registered. But the focus of those conversations was about the GP report and Vitality had already made the position clear. I don't think it acted unfairly or unreasonably in rejecting the claim.

my final decision

My final decision is that I don't uphold the complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs S to accept or reject my decision before 6 January 2020.

Claire Sharp
ombudsman