Financial Ombudsman Service

complaint

Mr W has complained that ReAssure Limited won't meet his claim in full under his personal accident insurance policy.

background

In 1984, Mr W took out a personal accident insurance policy with ReAssure. The policy offered various benefits in the event of Mr W suffering an injury following an accident. These included temporary total disablement ("TTD") benefit which was payable if the injury meant that Mr W couldn't work.

In 1997, Mr W fractured his ankle in an accident. He made a successful claim for TTD benefit under the policy.

In September 2013, Mr W says he injured his same ankle and also his arm while exercising in a gym.

He went to see his GP shortly afterwards and was signed off work for five weeks.

In October 2014 he was signed off work for three weeks following an operation on his arm.

In January 2015 he was signed off work for twelve weeks following an operation on his ankle.

He made a claim to ReAssure for these periods of absence. ReAssure initially rejected the claim as it believed that neither the ankle problem nor the arm problem was caused by an accident. However, it later accepted that the arm problem might have cause by an accident. It paid TTD benefit for Mr H's work absence in October 2014 because it believed that this was the only period of absence that was due to his arm injury. It also paid Mr W £100 compensation for any inconvenience caused by its initial decision to decline his claim altogether.

Mr W was unhappy at ReAssure's response and referred a complaint to this service.

Our adjudicator didn't recommend that the complaint be upheld. She thought ReAssure had acted reasonably in the way it had assessed his claim.

Mr W didn't accept the adjudicator's findings. He thought ReAssure should pay his claim in full.

In view of the continued disagreement, the matter has been passed to me to consider afresh.

my findings

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 don't uphold this complaint I shall explain why.

The policy explains that TTD benefit is payable only if the disablement is caused directly by an accidental bodily injury and arises within twelve months of the accident.

In the case of Mr W's ankle, he sustained an accidental injury to this in 1997. However, it appears that the problems he is now experiencing in his ankle are degenerative issues, including osteoarthritis. While these may be related to his 1997 injury, I don't think he can reasonably claim that any disablement due to his ankle is directly the result of an accidental injury. Besides, he is also well outside the twelve month period specified in the policy. I therefore think that it was reasonable for ReAssure to decline any claim from Mr W that relied on his ankle problem.

In the case of Mr W's arm, he was eventually diagnosed as suffering from a trapped nerve. While ReAssure initially declined the claim, it later accepted that this problem could be regarded as having been caused by an accident, particularly as the policy had no definition of what was meant by an accidental bodily injury. ReAssure therefore agreed to pay benefit for any period of TTD that was caused by Mr W's arm problem and to pay Mr W £100 compensation. I think this was reasonable on the part of ReAssure.

ReAssure didn't pay benefit for when Mr W was signed off in September 2013. Although he had been to his GP to report his arm symptoms, it was feared that he may have suffered a mini-stroke. His GP signed him off work to allow for investigations to take place. I haven't seen evidence that Mr W's arm injury in itself was sufficient to prevent him from working. I therefore think it was reasonable for ReAssure to decline this part of Mr W's claim.

ReAssure also didn't pay benefit for when Mr W was signed off work in January 2015. I'm satisfied that this absence was because of his ankle problem and was unrelated to his arm. I therefore this it was reasonable for ReAssure to also decline this part of Mr W's claim.

I consider that Mr W's absence from work in October 2014 was caused by his arm problem. I'm satisfied that ReAssure has paid him the appropriate benefit for this under the policy.

my final decision

For the reasons above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 15 February 2016.

David Poley
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