

complaint

Mr A's complaint is that BUPA Insurance Limited ('BUPA') has unfairly changed its terms and so he hasn't been able to take over his late wife's health care policy.

background

Mr A's son has brought the complaint on his behalf. I will reference all points made by Mr A's son as though they were made by Mr A.

The late Mrs A was the main member of a BUPA cash plan with Mr A added as a dependant member.

In 2015, BUPA changed its policy terms and conditions so that the policy couldn't be transferred to a dependant member on the death of the main member. BUPA says it sent its revised terms and conditions to affected members in 2015. This confirmed the plan would come to an end on the death of the main member.

Our investigator didn't think BUPA had done anything wrong as it had made a commercial decision to vary its terms and conditions and it was entitled to do this. Our investigator found that as the changes applied to all members and not just Mr and Mrs A, they weren't unfair.

Mr A disagreed and said that BUPA hadn't treated their customers fairly as the changes were detrimental and that Mr A was expecting a lifetime healthcare plan and Mrs A had been paying for the funeral benefit for both Mr and Mrs A for many years.

And so the case has been passed to me for a final 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. Having done so, I don't think Mr A's complaint should be upheld. I'll explain why.

Mr A has provided us with a copy of the previous policy terms which say: *"The partner of a deceased main member, may apply to become a main member of this scheme in their own right subject to the rules and benefits of this scheme and the terms of this section..."*

The new policy confirms when membership starts, continues and ends as follows: *"Your membership and your benefit year will start from your registration date. Your membership will be for a month at a time but will continue automatically provided that we continue to receive your subscriptions when they are due..."*

It also says: *"Your membership will end if...you die."*

And: *"Your dependants' membership will end: if your membership ends."*

The policy also confirms that BUPA can make changes to its terms and conditions: *"We may change the terms and conditions of your membership upon 30 days' notice. These changes could affect for example...the terms and conditions governing your membership."*

I've considered Mr A's concerns and I can see why he is unhappy about the changes to the terms. Mr A says that in 2015, although they did receive the revised terms and conditions, they weren't aware of the changes in relation to taking over the membership. And if they had been made aware, they would have raised a complaint at the time.

BUPA says they don't have a copy of the letter sent to Mrs A at the time but the revised terms all contain a date at the bottom and letters were sent in batches in 2015. As the changes applied to all members, they don't think the changes are unfair. The changes were included within the new terms and in a table of benefits. Mr A accepts receiving the revised terms in 2015 but doesn't accept that he was made aware of the changes.

As the changes were contained within the terms, it's more likely than not that a letter was included otherwise Mr and Mrs A might have questioned why BUPA had sent them a copy of the policy terms and conditions.

I've also considered what Mr A says he would have done differently if he had known about the changes in 2015. He says he would have raised a complaint at the time. But I don't think this would have made any difference as BUPA would have told Mr A that it was entitled to make changes to its terms, as long as those changes applied to everyone.

Mr A hasn't lost out since 2015 as he has been covered under the plan for the benefits listed in the policy from 2015 up until the plan ended. There are numerous benefits covered under the cash plan including dental cover, optical cover, hospital in-patient costs, day-patient surgery, physiotherapy, chiropody and home help amongst other things.

The table of benefits sent with the new policy in 2015 confirms the funeral benefit of £1,000 would be payable for the main member only. Mr A says that the policy was a lifelong plan but the policy is a health care cash plan renewable on a monthly, quarterly or yearly basis. And so it isn't a lifelong plan - the plan lasts for as long as the members pay and can be ended at any time by members. There are no lifetime benefits or guaranteed future benefits.

I appreciate why Mr A is disappointed that he cannot take over the membership – and he has said that it will be more expensive for him to get an alternative plan with a funeral benefit and for future treatment that he is likely to need – but the funeral benefit isn't a guarantee and would only be payable as long as the membership continued. And membership for dependant members ends on the death of the main member. This is unfortunate for Mr A but I don't think it's unfair as the terms are clear.

I agree with our investigator that BUPA is entitled to make a commercial decision and vary its terms and conditions. As Mr A was a dependant member, he wasn't entitled to continue the policy after the death of the main member.

my final decision

For the reasons set out above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 22 July 2018.

Shamaila Hussain
ombudsman