Financial Ombudsman Service

complaint

Mr T on behalf of Mrs T has complained that AXA PPP Healthcare Limited has unfairly refused to pay Mrs T's claim on their private medical insurance policy.

background

In February 2015, Mr T made a claim on his wife's behalf. Mrs T suffers from atrial ectopic beats, which AXA have advised is a form of cardiac arrhythmia and which it says is excluded from her policy under her diabetes exclusion.

Mrs T's cardiologist advised there is no relationship between Mrs T's atrial ectopic beats and her diabetes. AXA said it had excluded all the listed conditions from Mrs T's cover, regardless of whether they are linked to diabetes. So Mr T brought the complaint to us.

The adjudicator recommended that Mrs T's complaint should be upheld. She didn't think it reasonable for AXA to exclude a condition from Mrs T's policy regardless of whether or not it was associated with diabetes. Based on the policy wording, she felt it was reasonable for Mrs T to assume she did have cover for conditions, which weren't associated with her diabetes.

AXA didn't agree so Mrs T's complaint has been passed to me to decide.

my findings

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

Mrs T's policy says that *"No benefit is payable for any investigations and treatment related to diabetes and associated conditions. By this we mean ischaemic heart disease, any cataract, diabetic retinopathy, diabetic renal disease, any arterial disease, any stroke and any cardiac arrhythmias."*

The issue I have to decide is whether this exclusion is clear that Mrs T's cover didn't cover any cardiac related problems most especially her atrial ectopic beats, whether or not they were associated with her diabetes. It's clear to me that Mrs T's consultant doesn't believe her present ectopic beats are at all associated with her diabetes. AXA says that because of its claims experience it feels people with diabetes are more likely to suffer some cardiac conditions, which is why it also excludes those when excluding cover for diabetes.

However, I don't think the wording of AXA's exclusion is clear enough so that Mrs T would have understood that and I shall now explain why.

The exclusion clearly wants to limit itself to diabetes and its associated conditions, as that's what it says in the opening sentence. So I think any policyholder reading this, would understand that only diabetes and its associated conditions didn't have any cover. Mrs T's consultant has clearly said her atrial ectopic beats isn't related her diabetes. I also think that if AXA wanted to exclude any non-related conditions it should have clearly said that and I don't think it did. I don't see that that *'any'* in front of some conditions means the exclusion at times goes beyond diabetes and its associated conditions as detailed in the opening sentence.

Therefore, I think the exclusion isn't clear enough. As it isn't, it follows that it must be interpreted in the consumer's favour. So I think that if the medical evidence clearly showed her atrial ectopic beats were associated with her diabetes then the exclusion would apply, but as it so clearly doesn't, then it's not fair and reasonable to apply this exclusion to Mrs T's claim.

my final decision

For the reasons I've discussed above it's my final decision that this complaint should be upheld.

I now require AXA PPP Healthcare Limited to consider Mrs T's claim in line with the remaining terms and conditions of her policy.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 8 February 2016.

Rona Doyle
ombudsman