

## **complaint**

Mr B complains that The Prudential Assurance Company Limited ('Prudential') incorrectly declined his claim under the critical illness section of a Payment Protection Insurance ('PPI') policy.

## **background**

Mr B took out a personal loan in February 2005, the monthly payments under which were protected by the PPI policy in the event Mr B suffered an accident, disability or unemployment, subject to the various policy conditions. The policy also provided for repayment of the outstanding loan balance in the event Mr B suffered one of a specified list of critical illnesses as set out within the policy.

In February 2012 Mr B submitted a claim for critical illness benefit having undergone a coronary artery bypass graft. Prudential considered the claim but subsequently declined it on the basis that the medical condition that had given rise to the claim was known to Mr B before he applied for the policy. As such, it was considered to be a 'pre-existing medical condition' and, Prudential says, expressly excluded from the cover provided by the policy.

Mr B was unhappy with Prudential's decision. He says that he could not have anticipated undergoing the surgery that he did and that his previous consultations were generally routine in nature.

Dissatisfied with Prudential's decision, Mr B referred the matter to this service. However, the adjudicator who investigated the complaint concluded that Prudential had acted in accordance with the policy terms and conditions when declining the claim. She considered that Mr B's medical condition - that gave rise to the claim - had been diagnosed prior to the start date of the policy and so Prudential had acted fairly in declining the claim.

Mr B appealed against the adjudicator's view of his complaint and asked that it be reconsidered by an ombudsman. The file has therefore been passed to me to review it from the outset and to issue my final decision. This is the last stage of our process.

## **my findings**

I determine complaints in accordance with the powers granted to me by the Financial Services and Markets Act 2000. This Act requires me to make a decision that I consider fair and reasonable in all the circumstances of the case, bearing in mind the terms of the insurance contract, the law and good insurance practice. I have, therefore, considered all of the evidence and arguments from the outset, in order to decide what is fair and reasonable in the circumstances.

Having done so, I am satisfied that Prudential has fairly and reasonably applied the policy exclusion that relates to pre-existing medical conditions. The policy says:

*“D. Critical Illness Exclusions*

*We will not pay a critical illness claim if it is caused directly or indirectly from any of the following:*

- *A pre-existing condition - any condition, injury, disease, sickness or related condition and/or associated symptoms whether diagnosed or not which you knew about or should have reasonably known about at the start date or for which you received advice, treatment or counselling from any doctor during the 24 months before the start date.*

*However, a claim may be accepted if you remain symptom free and have not consulted a doctor or received treatment for the condition for a full 24 months prior to your claim. ”*

As the adjudicator noted, prior to taking out the policy Mr B had been diagnosed as suffering from ischaemic heart disease for which he was receiving regular reviews and on-going medication (as confirmed by Mr B’s GP) from the early 2000’s at least. He had also suffered an angina attack that required admittance to A&E before the policy commenced.

I have considered Mr B’s medical history and I am satisfied that the heart related medical conditions from which Mr B suffered prior to taking out the policy can be directly related to him requiring surgery in February 2012. There is a weight of evidence that supports this. For example, his GP stated in July 2013:

*“(Mr B) has had significant problems over recent years with his Ischaemic Heart Disease. This led to him having a major heart operation in February 2012 - this was a Coronary Artery Bypass Graft involving 5 vessels.*

I accept that Mr B might not have anticipated having to have a Coronary Artery Bypass Graft when his heart related problems began. However, it is apparent from the medical notes that Mr B’s condition did not resolve itself and required regular monitoring. So it is conceivable that Mr B could reasonably have anticipated that he might need to claim in the future. And it is exactly this that Prudential is seeking to protect itself against by including a pre-existing exclusion in the policy.

Indeed, it is apparent that Mr B understood the significance of his medical condition – he says he told the seller about it (which I discuss further below).

I am also satisfied that Mr B’s condition had been under regular review and he was subject to an on-going medication regimen from a date prior to the start date of the policy. This continued until the date of claim so it is apparent that Mr B was not symptom free and that he had consulted a doctor or received treatment for his condition in the 24 months before the claim.

I have noted Mr B’s submissions that his consultant cardiologist said in November 2010; *“...there is some suggestion that you may be suffering from angina and I think to clarify the situation we need to carry out coronary angiography which is a test that looks at the artery supplying the blood to the heart.”*

I am perhaps putting words into Mr B’s mouth but I take it that by highlighting this letter, Mr B is seeking to show that what ultimately led to the claim was not what he had consulted for before the policy started.

However, there is evidence that Mr B had significant heart problems before the policy commenced – to the extent that he was hospitalised. And there are entries in the medical records that discuss angina in this period.

I understand that angina is, essentially, pain, so therefore a symptom of another condition – the narrowing of arteries. These symptoms were present before the policy started and were being treated. Ultimately Mr B underwent surgery to rectify the underlying condition. It is therefore reasonable in my judgement for Prudential to conclude that Mr B had a pre-existing condition that was being actively managed up until the point of claim. It follows that it was reasonable for Prudential to decline the claim.

I have also noted in Mr B's submissions to this office that he appears to indicate that he attempted to claim under the disability section of the policy. However, this was not successful, if indeed it was considered at all. Prudential and its agents only considered a critical illness claim. If Mr B feels he has a valid claim under another section of the policy he should submit a claim to Prudential.

Finally, Mr B has told us that he informed the seller of the insurance of his medical history before the policy started. I understand that this is the subject of a separate complaint. This is the appropriate course of action. I cannot hold Prudential responsible for any failings – assuming such are shown – on the part of a separate company.

**my final decision**

For the reasons outlined above I do not uphold Mr B's complaint. I make no award against The Prudential Assurance Company Limited.

Michael McMahon  
**ombudsman**