

complaint

Mr M is complaining about Legal & General Assurance Society Limited because it declined to pay a claim on his critical illness insurance policy.

background

Mr M joined a critical illness scheme offered through his employer in 2009. In 2014, he had a health check and some issues were identified. Further investigation revealed damage to his heart muscle and his cardiologist said he'd had a heart attack in the past.

Mr M claimed on the policy, but Legal & General didn't pay out. It said there wasn't enough medical evidence to show the heart attack met the level of severity required in the policy terms or that it happened while he was covered.

Our adjudicator didn't recommend the complaint be upheld for similar reasons. But she did say Legal & General should pay a small amount of compensation for the trouble and upset caused by the way it handled Mr M's claim.

Mr M disagrees, saying there's clear evidence he had a heart attack and that it must have happened after he joined the scheme. He says the policy is meant to cover this type of situation and the compensation proposed is not enough for his stress and worry and the time he's spent on this.

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 agree with the adjudicator's conclusions for much the same reasons. I'm partly upholding this complaint.

The policy terms explain that the policy was designed to pay out if Mr M suffered from one of a set list of serious illnesses. This included *heart attack – of specified severity*, which was defined as follows.

Heart attack – of specified severity

Death of heart muscle, due to inadequate blood supply, that has resulted in all of the following evidence of acute myocardial infarction:

- i. New characteristic electrocardiographic changes.*
- ii. The characteristic rise of cardiac enzymes or Troponins recorded at the following levels or higher;*
 - Troponin T > 1.0 ng/ml*
 - AccuTnl > 0.5 ng/ml or equivalent threshold with other Troponin I methods.*

The evidence must show a definite acute myocardial infarction.

For the above definition, other acute coronary syndromes including but not limited to angina will not be covered.

The two key issues I must consider are whether Mr M suffered a heart attack that met the policy definition. And if so, whether that happened before or after he joined the scheme.

Legal & General appears to accept that Mr M had a heart attack. And I note the reasons he says this must have taken place after 2009, which are supported by the cardiologist's statement it most likely happened in 2013.

I understand Mr M's point about the policy being taken to cover heart attacks, but it wasn't actually designed to cover *all* heart attacks. Only those that were of a *specified severity*. I'm satisfied the above definition was broadly in line with industry guidance at the time and therefore the definition that most other insurers would have used.

The level of severity was measured by the indicators set out in the policy terms, including rises in the levels of cardiac enzymes. I appreciate the fact Mr M doesn't seem to have realised he was having an attack at the time means some of the required readings aren't available. But the fact that wasn't recognised tends to support the conclusion it was a more minor incident the policy wasn't intended to cover in my view. Either way, without evidence the indicators set out in the policy were present, I can't reasonably say the definition was met.

I appreciate my conclusions will not be what Mr M was hoping to hear, but on balance I'm satisfied Legal & General was entitled to decline his claim on the policy.

This notwithstanding, the adjudicator identified some issues with Legal & General's handling of the claim, particularly a lack of updates and unnecessary delay. I agree this would have caused Mr M some unnecessary trouble and upset and that he should be compensated for this.

We don't normally make awards for the cost of making a complaint in terms of time, telephone calls or postage. The amount to award for trouble and upset is difficult to assess and I realise a modest sum won't compensate Mr M for the disappointment of his claim being declined. But that disappointment would have been made worse by failings in Legal & General's handling and in the circumstances I agree compensation of £200 is fair.

my final decision

My final decision is that I partly uphold this complaint. While I think Legal & General was entitled to decline Mr M's claim, it should pay modest compensation for the unnecessary trouble and upset caused by its poor service.

If he accepts my decision, Legal & General Assurance Society Limited must pay Mr M compensation of £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 30 December 2015.

Jim Biles
ombudsman