

The complaint

Mr S complains AXA PPP Healthcare Limited caused him concern and inconvenience by advising his claim had been paid, before the hospital who provided the treatment received the payment.

What happened

Mr S holds a private medical insurance policy underwritten by AXA PPP.

In 2022, Mr S made a claim for treatment, which AXA PPP accepted. The insurer wrote to Mr S sending him a benefit statement, confirming what had been paid in respect of his claim and the excess he needed to pay directly to the hospital.

Mr S said when he contacted the treating hospital to pay the excess, he was told AXA PPP had not paid for his treatment. So he contacted the insurer to query this. AXA PPP said it was in the process of making the payment. It said it had been authorised, but payments were sent weekly.

Mr S complained. He said he was concerned to find that despite the statement stating 'paid' the hospital had not received the funds for his treatment. Mr S said this caused him concern that he could be liable for the funds, and inconvenience as he had to call AXA PPP. He said he was provided with incorrect information as the statement should have said the payment was being made or had been authorised, rather than 'paid'.

AXA PPP said it has processes in place for paying providers, it'd sent the hospital a remittance advice, and nothing had gone wrong. It said it wanted to reassure Mr S that he would not have been sued by a hospital after only a few days, and that the provider would know to contact the insurer if there were any issues with payment. It said it would take Mr S's suggestion into consideration in terms of the wording of its statements, but it didn't think the wording was wrong and conveyed that the treatment was covered.

Unhappy with the response, Mr S brought his complaint to this service. He said he would like an acknowledgement from AXA PPP that use of the word 'paid' was incorrect and inappropriate, as well as an apology and an offer in respect of the inconvenience he was put to.

An investigator here looked into what had happened and didn't uphold the complaint.

AXA PPP accepted the investigator's view. And it said in this case the payment had been made, but had not yet reached the hospital. Mr S disagreed with the investigator's view and asked for a decision from an ombudsman. So, the case has been passed to me to decide.

What I've decided – and why

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

And I've looked at the relevant rules and industry guidelines, which say AXA PPP has a responsibility to communicate in a way which is clear, fair and not misleading.

The statement letter AXA PPP sent to Mr S showed "*What we've paid*" above the amount it had covered for the claim, and "*You need to pay*" above the amount of Mr S's excess. And the letter explained Mr S would need to pay that amount direct to the hospital.

The issue at the crux of this complaint, is that Mr S says the statement wording was unclear and caused him concern and inconvenience, as he contacted the hospital and it said it had not been paid. I've thought carefully about this, and having done so, I do not uphold this complaint for the following reasons:

- I think what is most important for the policyholder to know in these circumstances, is that their claim has been accepted, and what amounts if any, they are responsible to pay for. I think this was made sufficiently clear in the statement issued by the insurer;
- AXA PPP has explained its use of the word 'paid' on the statement. The claim was covered and the payment authorised, but had not yet reached the hospital's bank account. And I think it's reasonable that this terminology was used in the circumstances. I also think it's reasonable that banking transactions actioned by a business will take some time to process and complete;
- AXA PPP has said it will consider Mr S's comments in respect of the wording of its statement. I think this is sufficient and I won't be directing AXA PPP to issue an apology as I've not been persuaded that the statement was unclear or misleading; and
- Mr S contacted AXA PPP promptly and received reassurance that there was no error or issue and that it was in the process of paying the hospital. The hospital advised Mr S it hadn't received payment on 16 December 2022, and by 19 December 2022, it said it had received it. So, in terms of the level of inconvenience Mr S experienced, I think it's fair to say this lasted only a short time, and was of no greater significance than a general daily inconvenience which we can all expect to experience from time to time. I should also say we don't make awards related to the inconvenience of bringing a complaint to our service.

My final decision

For the reasons I've given, it's my final decision that I do not uphold this complaint. And I make no award against AXA PPP Healthcare Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 28 July 2023.

Gemma Warner
Ombudsman