

The complaint

Mrs P has complained that The Royal London Mutual Insurance Society Limited has declined a terminal illness claim she made under her Level Life policy.

What happened

In summary Mrs P complained here when Royal London declined the claim she made under her level term life insurance policy. The policy ended in June 2022; terminal illness claims are not payable in the final year of cover.

Our investigator didn't recommend that it be upheld. She didn't find that the policy definition was met for the terminal illness claim to succeed. Mrs P appealed. As the background isn't in dispute, I'll focus on giving the reasons for my decision.

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.

Firstly, I'm aware I've summarised the background to this complaint and I've left out some sensitive medical details. No discourtesy is intended by this. Instead, I've focused on what I find are the key issues here. Our rules allow me to take this approach. It simply reflects the informal nature of our service as a free alternative to the courts. If there's something I haven't mentioned, it isn't because I've ignored it. I've fully reviewed the complete file and considered the representations Mrs P made after our investigator's investigation outcome. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I recognise that Mrs P will be very disappointed by my decision and I'm sorry it doesn't bring more welcome news. But for these reasons I agree with the conclusion reached by the investigator:

- In order for her claim to be admitted, Mrs P needs to show that she has met the policy definition of terminal illness. The definition in Mrs P's policy is: *"An advanced or rapidly progressing incurable illness where, in the opinion of an attending Consultant and our Chief Medical Officer, the life expectancy of the person covered is no greater than 12 months"*. As cover under the policy ended in June 2022, the terminal illness definition needed to be satisfied by June 2021.
- There is no dispute that Mrs P was unfortunately diagnosed with an advanced cancer in late 2020. In a letter to her GP at the time it was confirmed that the treatment plan was to have chemotherapy and if that resolved Mrs P's lung disease surgery could be an option. The report stated it was difficult to predict before she had started her treatment. Nevertheless Mrs P's evidence is that she was told by her oncologist (Dr H) at that time that she had two months to live. This was some 18 months before her policy came to an end.
- Dr H has left the country but Mrs P's present treating physician wrote in September 2022 *"I had a chat with (Dr H), by telephone, and she confirmed that this lady had a*

poor prognosis, at that time due to the fact she was diagnosed (with)... and she required a pleural drain at that time. (Dr H) advised her that she had a poor prognosis and, today, she confirmed to me that her prognosis was less than 12 months. 75% of patients with the same diagnosis relapse if they responded to chemotherapy."

Although this information has not come directly from Dr H, and is not contemporaneous, I am persuaded it is likely that Dr H, Mrs P's treating consultant at the time, was of the opinion that her life expectancy was less than 12 months.

- In a terminal illness questionnaire completed by her treating physician in August 2022 he confirmed that Mrs P had been told that there was a high risk of disease recurrence or failed treatment. In response to the questions as to whether her life expectancy was less than 12 months he wrote "*at the moment, some response to treatment but needs close monitoring*". Nevertheless I accept Mrs P's point that the relevant date is the date of diagnosis. That she is thankfully doing well on her treatment regime doesn't in itself mean that the original opinion with regard to life expectancy was incorrect at the time.
- However the terminal illness definition requires the opinion of *both* an attending Consultant and the Chief Medical Officer to be that the life expectancy is less than 12 months. Royal London sought the opinion of their oncology Chief Medical Officer. He explained why his opinion was that Mrs P's prognosis wasn't less than 12 months in 2020, or before June 2021. In summary he noted that Mrs P was well enough at the date of diagnosis to start standard care chemotherapy – she had active treatment options so wouldn't have been considered to have a terminal illness as at this stage. He noted too that between May and June 2021 there was no negative information to suggest a survival of 12 months or less and that there was no other information from 2021 to support a terminal illness claim. He commented that the molecular evidence was associated with a better outcome – and from September 2022 there was no evidence of progression the disease. His view was that there was no clinical information to support the claim either at diagnosis or in October 2022, when he reported. His reasoned evidence is persuasive.
- The relevant regulator's rules say that insurer mustn't turn down claims unreasonably. In all the circumstances I can't find on the evidence before me that Royal London treated Mrs P unfair or unreasonably or contrary to her policy terms by concluding that she didn't meet the policy definition for her terminal illness claim to succeed.

My final decision

For the reasons given above my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 18 August 2023.

Lindsey Woloski
Ombudsman