

## **The complaint**

Mr C and Ms H complain about how ReAssure Limited processed a claim under the critical illness part of their Whole of Life policy.

## **What happened**

Mr C and Ms H originally took the policy out with a different product provider and ReAssure has taken over the policy. For ease I will refer to all actions as being those of ReAssure.

In early 2023 Mr C and Ms H made a claim under the critical illness part of their policy.

The claim was agreed and paid, however the amount was around £54,000 less than Mr C and Ms H were expecting to receive.

ReAssure said the amount was lower than Mr C and Ms H expected as the sum assured had reduced when the policy was reviewed a few years earlier. ReAssure said they had sent letters confirming the change. They did acknowledge some customer service issues and said they could've been clearer in some of their communications. For the inconvenience caused by those issues they paid Mr H and Ms C £500.

Remaining unhappy, Mr H and Ms C brought their complaint to this service where one of our Investigators looked into what happened. They thought ReAssure had sent the relevant letter about the change in the sum assured. They also thought the £500 was fair for the other issues.

Mr H and Ms C remained unhappy, so the complaint has come to me for a 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.

Mr H and Ms C have provided a lot of information about their complaint and it's clear how strongly they feel about what happened. This is understandable because the payment was made during an already upsetting and emotional time for them, so to not receive what they were expecting would've understandably added to the upset.

I want to assure Mr H and Ms C that I've read and considered everything that has been provided even if don't mention it in detail. I've summarised some things which reflects the informal nature of our service. And also I will concentrate my decision on what I think is the crux of the complaint.

Where evidence about what happened is incomplete or contradictory, I've come to a decision based on the balance of probabilities about what I think is most likely to have happened.

Our Investigator provided a detail background of the policy and the complaint. I think that summary is a fair reflection of what happened, and because the facts aren't really in dispute,

I won't repeat everything again here.

The crux of the complaint is that Mr H and Ms C received less in their claim than they were expecting. ReAssure say this is because the sum assured was reduced when the policy was reviewed. They also say that letters were sent to Mr H and Ms C letting them know about the review and the change.

The type of policy held by Mr H and Mrs C is subject to regular reviews, so for that to happen is a natural part of how the product works. When a review happens things might stay the same, or there might be a need for changes to the premiums in order to keep the same sum assured.

I've seen copies of what Reassure sent Mr H and Ms C about the review and the reduction in the sum assured in March 2020. The letter was addressed correctly using the same details as other letters that had been sent before and those sent since. I'm persuaded that the letter was sent and by doing so ReAssure fulfilled their obligations.

Mr H and Ms C say they never received the letter. Taking into account that letters both before and after were received, and the very small number of items that go missing in the post, I think it was most likely correctly delivered.

Mr H and Ms C also say that in previous instances where there had been reviews to the policy, they captured the shortfall to bring the sum assured back to the required amount. Looking at what happened previously it seems there were at least two occasions where this didn't happen, and the sum assured was reduced. So I don't think not hearing back from Mr H and Ms C should've given Reassure cause to take any further action.

ReAssure paid Mr H and Ms C £500 for some administrative issues that occurred when dealing with the policy.

When ReAssure took over the policy from the previous product provider they could've been clearer about how the sub-policies were administered and how they were numbered. And after agreeing the claim they reviewed some aspects of the policy and paid an extra amount of over £2,000 which was due.

Both issues caused some upset and inconvenience for Mr H and Ms C. Looking at the type of inconvenience caused and the effect it had, I think the £500 payment is a fair and reasonable way of apologising and putting things right.

Having carefully considered everything that happened, I'm satisfied ReAssure treated Mr C and Ms H fairly and reasonably so won't be asking them to take any further action.

### **My final decision**

For the reasons I've explained above, my decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Ms H to accept or reject my decision before 20 February 2024.

Warren Wilson

**Ombudsman**