DRN-4289127

The complaint

Mr S complains that AXA PPP Healthcare Limited has unfairly restricted the settlement of his claim under his private medical insurance policy.

What happened

Mr S has private medical insurance provided through his employers. The insurance is underwritten by AXA.

In January 2023, Mr S started to suffer from symptoms of facial numbness, amongst others. He contacted AXA for an authorisation to see a specialist. Mr S had already booked an appointment with a consultant for 7 February 2023 but AXA told him that the particular consultant and hospital were not fully covered by the policy and so it would only cover 60% of the costs. AXA gave Mr S details of other consultants and facilities whose fees would be paid in full.

Mr S saw the consultant on 7 February 2023 and had some diagnostic tests completed on that day. He returned to the same facility for further consultations and treatment. AXA paid 60% of the bills.

Mr S complained to AXA. It didn't think it had done anything wrong, however, as a gesture of goodwill, it agreed to reimburse in full the initial consultation and tests that took place on that same day, minus the policy excess. Unhappy with the settlement, Mr S then brought his complaint to this service. He said he contacted the consultants that AXA had given him but they either had no appointments available within a suitable timeframe or the consultant didn't have reviews online that he could research. And as he was worried about his health he didn't want to wait. He said that, as AXA had agreed to pay for the initial consultation and tests, it should also pay everything else in full as it related to the same claim.

Our investigator looked into the matter but didn't think the complaint should be upheld. He said that he didn't think that the waiting time for an appointment with a fully covered specialist was unreasonable. And he said that AXA had made Mr S aware before he had the initial appointment that it would only cover 60% of the costs but he chose to continue receiving treatment with that consultant and at that facility - knowing he wouldn't get full reimbursement of his costs.

Mr S disagreed with our investigator's opinion. As no agreement could be reached the matter 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.

The relevant rules and industry guidelines say that insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules into account when deciding what I think is fair and reasonable in the circumstances of Mr S's complaint.

The policy terms and conditions

Mr S feels that AXA should pay in full for the treatment. AXA has said that, as the consultant isn't one of its listed Priority Health specialists and the hospital isn't in its directory, it will only pay 60% of the cost.

I've firstly looked at the policy terms and conditions to see what cover is available. I can see that in Section one, the policy states the following:

> ***1.1 > Why it's important to use hospitals or day-patient units in the Directory of Hospitals***
>
> *If you have treatment at a hospital or day-patient unit that's not in the Directory of Hospitals, we will only pay 60% of the charges from that hospital or day-patient unit, as long as they charge up to the normal rates published and charged by that hospital or day-patient unit. You will be responsible for paying the remaining charges.*
>
> ***1.2 > Why it's important to use Priority Health specialists***
>
> *If your treatment is provided by a specialist who is not a Priority Health specialist but who is recognised by AXA Health, we will only pay 60% of the charges that would normally be paid by AXA Health. You will be responsible for paying the remaining charges.*
>
> *If your treatment is provided by a specialist who is neither a Priority Health specialist nor recognised by AXA Health, you will be responsible for paying the full amount of the charges*

From looking at these terms, I think it is clear that cover is only provided in full for those consultants and hospitals which appear on either in the directory of hospitals or are listed as a Priority Health Specialist. Claims for consultants and facilities not on the lists will be subject to reduced payments or in relation to bills for consultants not recognised at all, declined in their entirety.

Has AXA considered the claim fairly?

AXA has confirmed that the consultant is recognised but isn't a Priority Health specialist and the facility isn't in the directory. Therefore, I'm satisfied that it would be fair for AXA to restrict any payment to 60% of the cost.

Mr S has argued that he saw this consultant as he was able to get an appointment quickly, whereas some of the other consultants had waiting times of over a month. I can appreciate why Mr S would have wanted to see someone as quickly as possible but the waiting times for appointments isn't something that AXA has any control over. So, I'm not persuaded that this changes the outcome.

I'm also aware Mr S has said some of the consultants mentioned by AXA didn't have reviews that he could look at or they didn't specialise in his condition so he couldn't use them. While I understand that Mr S may have wanted to conduct research into which consultant was right for him, and he is of course entitled to do so, this doesn't mean that the lack of reviews made these other consultants unsuitable. And in relation to the specialism of each consultant, I've not been provided with any evidence to show that the other consultants on the list wouldn't have been able to assist Mr S with his symptoms. So, I don't think this means AXA should pay the full cost of his claim.

AXA has agreed to pay the full cost of Mr S's initial consultation and tests completed on the same day, purely as a gesture of goodwill. As Mr S was aware of this restriction to the cover prior to the appointment and certainly before he booked any subsequent consultations and tests/treatment, I don't think AXA has to do anything more.

My final decision

For the reasons mentioned above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 5 October 2023.

Jenny Giles
Ombudsman