

The complaint

Mr B complains about a private medical insurance policy he had with BUPA Insurance Limited.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here in full. In summary, Mr B had private medical insurance underwritten by BUPA. His membership renewed in September each year. In May 2023, Mr B complained to BUPA that he'd received a refund of only one month's premium following the restrictions in service during Covid-19 whereas during a phone call in April 2020 he was promised a refund of nine months' premium. He also complained about the difficulties he had getting through to BUPA on the phone.

In response to Mr B's complaint, BUPA acknowledged long waits on incoming calls. It didn't agree that it had promised to refund nine months' premium but said that it could have been clearer about the rebate. It paid Mr B compensation of £300. Mr B didn't think that was sufficient and pursued his complaint.

One of our investigators looked at what had happened. He said that he'd asked BUPA for a copy of the recording of the April 2020 phone call, but it said it was no longer available. The investigator said that he thought it unlikely that BUPA told Mr B in April 2020 that he'd receive a refund of nine months' premium, as it wasn't known at that point how long the provision of health services would be affected by Covid-19. The investigator thought that BUPA may have given Mr B the impression that he'd receive a refund of premium for the whole period that services were affected, which wasn't in fact the case.

The investigator said that Mr B would have been disappointed to receive only one month's refund of premium. He didn't think that Mr B would have done anything differently if he'd been given more accurate information. That was because all providers of private medical insurance were in the same position in relation to the availability of services, Mr B had a fully underwritten policy which he'd want to maintain and he'd continued to renew his policy with BUPA even after he'd received a rebate of less than he was expecting.

The investigator thought that the compensation of £300 BUPA had already paid was fair and reasonable in relation to Mr B's loss of expectation about the rebate and BUPA's phone services.

Mr B didn't agree with the investigator. He said that it was convenient for BUPA that the recording of the phone call is no longer available. Mr B queried the investigator's comment about his expectations following the call with BUPA in April 2020. He said that BUPA promised that customers who paid premiums between dates in March and September 2020 would receive a payment relative to the premium they had paid during that period. Mr B said that he had no alternative but to continue to pay his premium if he

wanted to benefit from the refund. He said that he'd now taken out alternative cover with another provider.

The investigator considered what Mr B said but didn't change his view. Mr B asked that an ombudsman consider his complaint, so it was passed to me to decide.

As the investigator explained, this service can consider the matters Mr B raised with BUPA in May 2023 and which led to BUPA's response dated 30 June 2023. We can't consider Mr B's earlier complaints as he didn't refer those matters to us in time. So, in this decision, I deal with Mr B's complaint about being misled in relation to the extent of the refund and the long delays in BUPA answering the phone.

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.

Where there's a dispute about what happened – as there is here – I come to a decision based on what I think is most likely to have happened, based on the available evidence and the surrounding circumstances.

The recording of the phone call in April 2020 is no longer available. I draw no adverse inference from that. BUPA isn't obliged to retain copies of recordings of phone calls indefinitely. So, I can't know for sure what was said in that phone call.

Mr B says that BUPA told him he'd receive a refund of nine months' premium for the period he couldn't access services. BUPA's notes made at the time of the call record that it told Mr B that he'd receive a rebate when the Covid-19 pandemic was over.

On balance, I agree with the investigator that it's unlikely that BUPA told Mr B in April 2020 that he'd receive a refund of nine months' premium as it wasn't clear at that stage how long the provision of health services would be disrupted. And at that point, it's unlikely that BUPA had decided the details of its rebate plan. I think it's more likely than not that BUPA led Mr B to understand that he'd receive a refund of premiums for the period that services were disrupted. That wasn't in fact the case. So, I'm satisfied that BUPA gave Mr B incorrect or incomplete information in April 2020.

I've looked at the quote Mr B has provided from correspondence with BUPA. BUPA didn't say that it would refund premiums paid between 23 March 2020 and 30 September 2020. It said that for individuals who'd paid premiums during that period, it would pay a payment *relative* to the premium paid. I don't think that what BUPA said in that correspondence changes the outcome of this complaint.

When mistakes like this happen, we don't direct the insurer to proceed on the basis that the incorrect information is true. Instead, we look at the effect of the incorrect information on the individual. Mr B was disappointed to discover the true position. But I don't think that he would have done anything differently if he'd been given accurate information. That's because all providers of private medical insurance were in the same position in relation to the availability of services during Covid-19. In addition, Mr B was aware that he'd have to remain a BUPA member in order to receive any rebate.

BUPA has accepted that it gave Mr B incomplete information in April 2020 and that members had to wait too long to have their phone calls answered. It has already paid Mr B compensation of £300. I think that's fair and reasonable in this case. In reaching that view,

I've taken into account the nature, extent and duration of the distress and inconvenience caused by BUPA's error and poor service in this case.

I'm sorry to disappoint Mr B but, for the reasons I've explained, I don't uphold this complaint as I think that the compensation BUPA has already paid is fair and reasonable.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 6 February 2024.

Louise Povey
Ombudsman