

The complaint

Mr J complains that CIGNA Life Insurance Company of Europe SA-NV has turned down a claim he made on a group private medical insurance policy.

What happened

Mr J is covered under his employer's group private medical insurance policy.

In April 2022, Mr J underwent gynaecomastia surgery privately. He didn't contact CIGNA for authorisation prior to undergoing the surgery, as it had covered his child for the same operation a year earlier.

However, CIGNA turned down Mr J's claim. It considered Mr J's medical report and concluded that the surgery had been cosmetic, as there was no evidence that Mr J had been experiencing pain or discomfort. CIGNA said cosmetic surgery was specifically excluded by the policy terms. It explained that it had covered Mr J's child's surgery because the condition had caused them pain. And it told Mr J that if there was medical evidence which showed he had been experiencing pain or discomfort due to the condition, he could provide the evidence to CIGNA for further review.

Mr J was unhappy with CIGNA's decision and he asked us to look into his complaint. He told us that he hadn't had the surgery done for cosmetic reasons. He said that, sadly, a close relative had passed away due to breast cancer and this was a major concern for him. As CIGNA had covered his child's surgery; Mr J had thought it was best to get the surgery done and to remove the risk.

Our investigator recommended that Mr J's complaint should be upheld. Based on Mr J's testimony, he thought it was reasonable to conclude that Mr J had had the surgery for preventative, rather than cosmetic, reasons. As the policy didn't specifically exclude preventative treatment, he thought he had been fair for Mr J to believe his treatment would be covered. So he recommended that CIGNA should pay Mr J's claim, together with interest. He also felt CIGNA should pay Mr J £100 compensation.

I issued a provisional decision on 7 July 2023, which explained the reasons why I thought it had been fair for CIGNA to turn down Mr J's claim. I said:

'The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So I've considered, amongst other things, the terms of the insurance policy and the available evidence, to decide whether I think CIGNA treated Mr J fairly.'

I've first considered the policy terms and conditions, as these form the basis of Mr J's employer's contract with CIGNA. It's clear that the policy does provide cover for inpatient surgery. However, the contract also sets out a list of things which CIGNA has specifically chosen to exclude from cover. This list includes the following:

'CIGNA will not pay benefit for the following treatment and extras:

- Any form of plastic, cosmetic or reconstructive treatment or surgery or treatment, even if for psychological reasons, unless it is of medical necessity, as a direct result of the patient having an accident or because of other surgery which itself would have been covered under the plan.'

Having considered the available medical evidence, CIGNA concluded that Mr J's surgery was cosmetic in nature. And so it turned down his claim. I've gone on to consider whether I think this was a fair conclusion for CIGNA to reach.

I've looked carefully at the medical report provided by Mr J's treating doctor. Mr J was diagnosed with 'bilateral idiopathic gynaecomastia'. There was no explanation as to why the doctor was carrying out the surgery or whether they felt it was medically necessary. The report states that upon follow-up, there were no infections or complications and that there was a 'very successful and pleasing early aesthetic outcome.'

CIGNA has provided us with information which shows how it assess claims for gynaecomastia. I'm afraid that I can't share this evidence with Mr J, because it's commercially sensitive and therefore, it's confidential. However, what I can tell Mr J is that it sets out a number of criteria which must all be met in order for claims to be paid. CIGNA says that Mr J's child did meet all of those criteria (including that his child was suffering pain due to the condition), which was why their claim was paid.

In Mr J's case though, the treating doctor's report doesn't suggest that Mr J's condition was causing him any pain or discomfort and indeed, Mr J's testimony doesn't indicate that he was experiencing pain due to his condition either. On that basis, I think it was reasonable for CIGNA to find that Mr J didn't meet all of its criteria. And I'm also satisfied that CIGNA would've applied the same criteria to any policy beneficiary in the same circumstances as Mr J. This means I don't find he was unfairly singled out in any way.

I appreciate Mr J says he underwent the surgery because he was concerned about the risk of developing cancer, following the sad loss of a close relative who'd suffered from the disease. I can entirely understand why Mr J wished to reduce the risk of developing cancer in the future and I was sorry to read of his loss. But there's no indication on the medical report that Mr J's doctor had recommended that he undergo the surgery for this reason, or that the doctor considered the surgery to be medically necessary for preventative reasons either. Instead, the doctor has referred to a pleasing 'aesthetic outcome' upon follow-up. I don't think it was unfair then for CIGNA to rely upon this report to conclude that surgery was likely done for cosmetic reasons.

CIGNA has indicated that if Mr J is able to provide further medical evidence showing his condition caused him pain and discomfort; it will review this information. I think this is a fair and reasonable position for CIGNA to take. It's also open to Mr J to provide CIGNA with medical evidence which shows that the surgery was recommended to him for preventative reasons.

Overall, having considered the evidence as a whole, while I sympathise with Mr J's position, I currently don't think it was unfair for CIGNA to conclude that his surgery was cosmetic in nature. As such, I don't think it was unreasonable for CIGNA to rely on the policy exclusion to turn down Mr J's claim. It follows then that I don't intend to direct CIGNA to pay any award.'

I asked both parties to send me any additional evidence they wanted me to consider.

CIGNA didn't respond by the deadline I gave.

Mr J provided a letter from his treating surgeon, dated 26 July 2023, which set out the reasons why they felt CIGNA should pay Mr J's claim.

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.

Having done so, whilst I'm very sorry to disappoint Mr J, I still think it was fair and reasonable for CIGNA to turn down his claim and I'll explain why.

It's important that I make it clear that my decision focuses on whether CIGNA acted fairly based on the medical evidence which was available to it at the time it issued its final response to Mr J's complaint in December 2022. Mr J has now provided new evidence from his treating surgeon, which explains the reasons for the surgery and why they feel CIGNA should pay the claim.

As I explained in my provisional decision, CIGNA indicated that it would consider new medical evidence Mr J provided. So it wouldn't be appropriate for me to make a finding on new medical evidence which wasn't available to CIGNA when it issued its final response in December 2022. It's open to Mr J to send the new evidence on to CIGNA for its review. If Mr J is unhappy with the outcome of any such review, he may be able to make a new complaint about any new claims decision alone.

Overall though, I still don't think it was unfair for CIGNA to have concluded that Mr J likely underwent surgery for cosmetic reasons, based on the medical evidence which was available to it in December 2022,. And I still find that it was fair and reasonable for it to have relied on the policy exclusion for cosmetic surgery.

So for the reasons I've set out above in my provisional decision, I still think it was fair and reasonable for CIGNA to have turned down Mr J's claim, at the point it issued its final response in December 2022. So I'm not directing it to pay any award.

My final decision

For the reasons I've given above and in my provisional 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 J to accept or reject my decision before 7 September 2023.

Lisa Barham
Ombudsman