

## **The complaint**

Mrs C has complained that Western Provident Association Limited ('WPA') didn't carry over her unused dental benefit to the next policy year.

## **What happened**

Mrs C has a private medical insurance policy, underwritten by WPA.

In the policy year 2021 – 2022 Mrs C had £250 general dental benefit available but only used £127.12. She asked for the remaining £122.88 to be carried over for use in the following policy year.

WPA confirmed the policy benefits reset every year and if they aren't used within the policy year, they do not get carried over to the following year. It said the policy runs on a 12-month contract and claims are assessed against the contract for the policy year.

Unhappy, Mrs C complained and referred her complaint to this Service.

Our investigator looked into the complaint but didn't think WPA had treated Mrs C unfairly.

Mrs C disagreed and in summary, said the terms and conditions don't say unused benefit cannot be carried over to the next year.

And so the case has been passed to me for a final 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.

Having done so, I don't think this complaint should be upheld. I'll explain why.

The relevant rules and industry guidelines say an insurer should handle claims promptly and fairly.

Mrs C has dental care which pays up to £250 for general dental treatment. The policy says:

*"Your policy is an annual contract of insurance."*

The policy schedule confirms:

*"The benefit amounts shown are the maximum amounts payable per person policy year."*

The policy is an annual contract and so any benefit limit is per policy year. Mrs C says the policy doesn't say that unused benefits cannot be carried over and so any unused benefit should be carried over.

I've carefully considered what Mrs C has said but I am satisfied that the policy is a clear annual contract which means the agreement and any benefit only lasts for a year. If any benefit isn't used within the policy year, there is no provision for it to be carried over to the next year as the contract has effectively ended and at renewal, a new contract starts. The renewed contract would then be subject to the new policy limit for the new policy year. If the unused benefit was carried over, this would exceed the maximum benefit of £250 per person per policy year for general dental treatment. I think the policy is sufficiently clear that the limit applies to the policy year so I don't think it needs to say unused benefit can't be carried over.

### **My final decision**

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 30 August 2023.

Shamaila Hussain  
**Ombudsman**