

The complaint

Mr R complains about the way that Aviva Insurance Limited administered a private medical insurance policy after his partner, Miss I, sadly passed away.

What happened

Miss I held a personal private medical insurance policy, which also provided cover for Mr R.

In October 2022, Miss I was admitted to hospital. Sadly, she passed away in late November 2022. Mr R made an NHS cash benefit claim on the policy on behalf of Miss I's estate and he let Aviva know that Miss I had passed away.

Aviva initially declined the claim, although it later accepted and paid the benefit. However, unfortunately, it sent marketing material to Miss I's email address, which caused Mr R distress and further upset. It paid Mr R £150 compensation to reflect its errors, which Mr R accepted.

Mr R let Aviva know that he wanted to cancel the policy. It seems there was a delay in Aviva processing the request and in the meantime, in February 2023, it sent a further notification to Miss I's email address, addressed to Miss I, which provided an update on the status of the cash benefit claim.

Unhappy and distressed by Aviva's further administrative error, Mr R made a new complaint. He felt that Aviva should have placed a block on Miss I's account to prevent further emails being sent to her address.

Aviva apologised for its mistake. It said that as Miss I had been the primary policyholder, her account had remained active. It acknowledged that Mr R had sent in a request to cancel the policy in early February 2023. However, due to a delay in actioning Mr R's instruction; the policy had remained live and the claim notification had been sent. It offered Mr R further compensation of £100 and it told Mr R it would provide feedback to the relevant team.

Mr R remained unhappy with Aviva's administration of the policy and the upset it had caused him. He asked us to look into his complaint. I've summarised his submissions to us. He felt that Aviva's assertion that it couldn't have stopped the notifications was untrue. He thought it should have placed a stop on the communications being sent to Miss I's email address. He considered that Aviva had offered a derisory pay-off and that it should be financially punished by awards which reflect the grief these situations can cause. He felt that we could make it clear to Aviva that the way it operated its systems could cause a lot of upset and that we could impose financial penalties which would encourage it to act in a responsible and sympathetic manner. He told us that dealing with Aviva had caused him more pain and upset than it was worth, but that he wasn't prepared to stand by and let others in his position suffer the same negligence.

Our investigator accepted that Aviva had made a mistake in sending a further email to Miss I's email address. But he felt Aviva had made a fair and reasonable offer of compensation to reflect the impact of its error.

Mr R disagreed and so the complaint's 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.

Having done so, whilst I'm sorry to disappoint Mr R, I think Aviva has made a fair offer to settle his complaint and I'll explain why.

First, I'd like to offer my sincere condolences to Mr R for the sad loss of Miss I. I don't doubt what an upsetting time this has been for Mr R and it's clear that this situation has caused him further, unnecessary upset.

Secondly, I must make clear the role of this service. We're not the industry regulator and we have no power to fine or punish the financial businesses we cover. Neither can we direct them to change their systems or procedures. And we can't fairly consider hypothetical situations. What we *can* do is to consider whether a financial business made any errors and, if it did, what fair redress would be in the individual circumstances of each complaint.

I appreciate how strongly Mr R feels about Aviva's IT systems and his concerns about the potential impact of Aviva's policy administration in situations such as these on other policyholders. But I'm afraid that I simply don't have the power to direct Aviva to change its IT processes, or to punish Aviva for any mistakes it might make. And I'm only considering the impact of Aviva's errors here on Mr R.

It appears that Mr R voluntarily accepted Aviva's offer of £150 compensation (along with the payment of cash benefit to Miss I's estate) to settle his first complaint. In the course of his correspondence with us, Mr R hasn't suggested that he feels this settlement should be set aside and hasn't indicated that it wasn't valid. So I don't think it would be appropriate for me to comment on the merits of Mr R's first complaint, given it appears to have been settled. Instead, I've focused on Mr R's second complaint – that Aviva sent a second email to Miss I's email address, despite being aware that she'd passed away.

There's no dispute that Aviva had been made aware of Miss I's death in December 2022. Aviva said it added a marker to Miss I's policy at that point. Aviva also accepts that in February 2023, it sent a further email, addressed to Miss I, to her email address, which provided an update on the NHS cash benefit claim. It appears that prior to the email being sent, Mr R had already asked Aviva to cancel the policy, but there'd been a delay in it actioning this request. Therefore, the policy remained live and the claim notification appears to have been automatically sent.

So I think it's clear that Aviva has made errors. Firstly, there was a delay in processing Mr R's cancellation request and this delay led to the generation of the claim update to Miss I's email address. Had the cancellation request been actioned more promptly, it seems to me that the claim update to Miss I is very unlikely to have been generated. And it's unfortunate that an update email to Miss I's email address was sent, despite the marker on the account.

Mr R has told us that Aviva's errors caused him additional trouble and upset and I accept that this was the case. I don't doubt how distressing it was when he found the email addressed to Miss I and sent to her email account, despite his earlier complaint. And as I've set out above, I think this situation could have been avoided if Aviva had cancelled the policy sooner than it did. So I find that Aviva caused Mr R additional, unnecessary distress and frustration, when he was already grieving and in a difficult situation. And I find it's appropriate for Aviva to pay compensation to reflect this.

In my view, £100 compensation is a fair, reasonable and proportionate award to reflect the trouble and upset I think Mr R was likely caused when he found the email addressed to Miss I, which had been sent to her email address. So while I sympathise with his position, I find that Aviva's offer of £100 compensation is fair and reasonable to reflect the impact I think it's likely its mistakes had on him. So it follows that I'm not directing Aviva to pay anything more.

My final decision

For the reasons I've given above, my final decision is that Aviva has already made a fair offer to settle this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R and the estate of Miss I to accept or reject my decision before 24 October 2023.

Lisa Barham
Ombudsman