DRN-4446209

The complaint

Miss S has complained that AXA PPP Healthcare Limited trading as AXA Health ('AXA') has unfairly declined her claim.

What happened

Miss S had a group private medical insurance policy, underwritten by AXA.

In September 2021, Miss S was admitted to hospital. She contacted AXA who authorised diagnostic treatment. AXA paid Miss S' costs but refused to pay for her surgery. AXA accepted it had incorrectly authorised the initial tests but said the surgery was not authorised and so it would not pay for this.

Miss S complained to AXA and unhappy with its response, referred her complaint to this Service.

Our investigator looked into the complaint and found that although AXA had incorrectly authorised diagnostics, it had paid for the tests and so he didn't think it needed to do anything further.

Miss S disagreed, and in summary, said her condition was not pre-existing and should have been covered in full.

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 and shouldn't unreasonably reject a claim.

- In my decision I will focus on what I consider to be the crux of this complaint. I have considered everything Miss S has said in detail but I won't comment on everything as the background is well known to both parties.

- The policy says it does not cover: *"Treatment of medical conditions you had, or had symptoms of, before you joined."*

- Miss S joined on moratorium terms and so she wouldn't have cover for treatment of any pre-existing conditions until she had been a member for two years in a row and she'd had a period of 24 consecutive months since she joined that had been trouble free from that condition.

- The policy terms define a pre-existing condition as: "*any disease, illness or injury that you have received medication, advice or treatment in the five years before the start of cover, or you have experienced symptoms of in the five years before the start of your cover; whether or not the condition was diagnosed."*

- Miss S spoke to AXA and said she had been to hospital due to severe abdominal pain. AXA authorised an initial consultation, diagnostics and a follow up consultation. But it said that if Miss S needed a procedure, AXA would need a procedure code. Miss S was asked to keep AXA updated.

- AXA said it had incorrectly authorised treatment for Miss S as she had a pre-existing medical condition. And further medical evidence should have been requested first. Due to the errors it made, it paid for the costs it had authorised including the initial diagnostics. It said it didn't authorise the procedure Miss S had and so didn't pay the costs for this, of approximately £2,000.

- Miss S says AXA should have paid for all her costs as her condition was not pre-existing and so all of her treatment was eligible.

- I've looked at the medical evidence provided and, in a letter, dated 6 October 2021, her consultant said Miss S had a 5-year history of pelvic pain. And that she had a laparoscopy in 2017 when PCOS was found. As a result of this letter, I think AXA has correctly said that Miss S' condition falls within the pre-existing condition definition. Even if Miss S hadn't had a diagnosis, symptoms alone are enough for her condition to be deemed pre-existing under the definition and terms of the policy.

- Additionally, AXA has said that Miss S did not call for authorisation for the procedure and had she done so, it wouldn't have authorised this. The policy provides cover for treatment which is medically necessary and it didn't think the procedure she had was medically necessary for the diagnosis of her condition.

- Miss S has provided some letters from 2017 which she says show that she wasn't diagnosed with PCOS in 2017. But I don't think this changes anything. Firstly because AXA has said it never would have authorised the procedure had Miss S called as it didn't recognise it as medically necessary for Miss S' condition. And secondly, a letter from 2021 refers to PCOS being found in 2017 - I cannot discount this.

- Overall, I don't think AXA unfairly concluded that Miss S' condition isn't eligible under the terms of her policy due to her symptoms and the medical evidence from 2021. Where AXA has mistakenly authorised diagnostics, it has paid for these. And I think this is a reasonable remedy for its mistakes and customer service failings. As the procedure would never have been authorised by AXA had Miss S called as she was requested to do, I can't fairly ask AXA to pay the costs of it.

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 Miss S to accept or reject my decision before 4 January 2024.

Shamaila Hussain
Ombudsman