

The complaint

Mrs F is unhappy with the way in which Aviva Insurance Limited has handled a claim made under her private medical insurance policy ('the policy').

What happened

In or around 2020, Mrs F was diagnosed with branch retinal vein occlusions with macula oedema ('eye condition') for which she started receiving regular treatment. She claimed under the policy and the costs of treatment were met.

In early 2022, Aviva contacted Mrs F and informed her that it wouldn't be covering any further treatment for her eye condition as it amounted to a chronic condition. It subsequently agreed cover would remain in place for whatever is medically necessary to treat her eye condition, subject to the policy terms, until a date towards the end of 2022.

Aviva recommended during this period Mrs F speak to her consultant to discuss her future care. And that the available options after this date were to either consider transitioning to the NHS for continuation of her medical care or to self-fund any treatment required.

After the date on which cover ceased for the eye condition, Mrs F raised concerns about the decision taken by Aviva to cease covering treatment for her eye condition and the overall service she'd received.

In its final response letter dated Aviva maintained its decision that Mrs F's eye condition was chronic and continued treatment wasn't covered under the policy.

However, it did accept that it had caused Mrs F confusion and inconvenience by the poor administration of her claim. It apologised and offered £200 compensation. Aviva says compensation wasn't paid as Mrs F declined to accept it.

Unhappy Mrs F complained to the Financial Ombudsman Service. Our investigator didn't think Aviva had to do anything further. Mrs F disagreed.

So, this complaint has been passed to me to consider everything afresh 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.

Aviva's decision to stop covering treatment for the eye condition

Aviva has an obligation to handle claims promptly and fairly. And it mustn't unreasonably decline a claim.

Aviva says the policy isn't designed to support the treatment of long term or chronic medical conditions. Apart from treatment for cancer, the policy says Aviva doesn't cover treatment of a chronic condition including:

- regular planned checkups for a chronic condition where you are likely to need treatment
- expected deterioration of a chronic condition which needs regular consultations, diagnostic tests or treatment from a specialist

However, the policy does cover unexpected acute flare-ups of a chronic condition until the condition has re-stabilised.

A chronic condition is defined as: a disease, illness or injury that has one or more of the following characteristics:

- it needs ongoing or long-term monitoring through consultations, examinations, check-ups and/or tests
- it needs ongoing or long-term control or relief of symptoms
- it requires your rehabilitation or for you to be specially trained to cope with it
- it continues indefinitely
- it has no known cure
- it comes back or is likely to come back.

Under the policy treatment is defined as: "surgical or medical services (including diagnostic tests) that are needed to diagnose, relieve or cure a disease, illness or injury".

I'm not a medical expert so I've relied on the medical information available to me when deciding whether Aviva has fairly concluded whether the eye condition is chronic as defined by the policy.

Mrs F has been having regular treatment for her eye condition since 2020 to help prevent her eyesight deteriorating. She's provided us with some information about her eye condition and I've also considered information about the eye condition provided by the NHS, specialist eye hospitals and websites from leading charities and organisations regarding specific eye conditions.

Based on everything I've seen, I'm satisfied that there isn't currently a known cure for the eye condition. The medical information I've seen supports that the eye condition can be stabilised through eye injections or laser treatment - and patients' eyesight can be maintained or improved by reducing the associated macular oedema.

So, I don't think Aviva has unfairly and unreasonably concluded that the eye condition is a chronic condition as defined by the policy. Not only is there no known cure but I'm persuaded that it needs ongoing or long-term monitoring through consultations, examinations, check-ups and/or tests.

I have a lot of sympathy for Mrs F's situation, and I can, of course, understand why she would like Aviva to continue to cover treatment, as she says, to save the sight in her eye. However, I'm persuaded that Aviva has reasonably relied on the policy term that it won't cover treatment for chronic conditions when maintaining its decision at the end of 2022 that it would be ceasing cover for treatment of Mrs F's eye treatment. That was after it had given fair notice of its decision to Mrs F in early 2022.

Service issues

Aviva has accepted that, at times, it should've provided Mrs F with better service. I can understand why Mrs F would've been frustrated and concerned that Aviva's representatives were referring to different eye conditions which she wasn't being treated for. Further, Aviva contacted her consultant's secretary to confirm the nature of the eye condition without obtaining Mrs F's explicit consent. Aviva apologised and offered Mrs F £200 compensation. Mrs F doesn't think that's sufficient. She also says that Aviva's representative spoke to her rudely during a particular call when she asked whether the representative had rung her consultant. She says the reply was: "No, I haven't I haven't had time!"

Even if Mrs F is right and she was spoken to badly during that call, I'm satisfied that £200 fairly compensates her for the overall distress and inconvenience she experienced because of Aviva's service failings in this case. I can understand that Mrs F's eye condition can be made worse by stress and the additional worry, confusion and frustration was unnecessary.

But ultimately, I'm satisfied that the decision taken to stop covering treatment for the eye condition as it was a chronic condition under the policy more likely than not to be the main issue that upset her the most and she was most worried about. And for the reasons set out above, I think Aviva's conclusion in this respect is fair and reasonable.

Putting things right

I understand from Aviva that the offer of £200 compensation set out in the final response letter wasn't accepted so hasn't been paid by Aviva. That being the case, I'm satisfied that Aviva should pay Mrs F £200 compensation for distress and inconvenience it's already offered.

My final decision

Aviva Insurance Limited has already made an offer to pay £200 to Mrs F to settle the complaint and I think that's fair in all the circumstances. My decision is that Aviva Insurance Limited should pay £200 to Mrs F if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 24 November 2023.

David Curtis-Johnson
Ombudsman