

The complaint

Mr B complains that Vitality Health Limited paid invoices under his private medical insurance policy when he did not want it to.

What happened

Mr B holds private medical insurance cover with Vitality. After Mr B had private treatment, Vitality received invoices from Mr B's consultant which it paid (less the excess). Mr B was unhappy about this, as he said he had not wanted to make a claim and had only made enquiries with Vitality to see whether the treatment would be covered. Since then, Mr B's policy has renewed, and his premiums have increased due to the claim.

Our investigator recommended the complaint be upheld. He thought Mr B had made it clear to Vitality that he was unsure as to whether or not he would be making a claim. Our investigator thought Vitality therefore ought to have checked with Mr B before paying the invoices. To put matters right, he recommended that Vitality allow Mr B to repay the invoices, and then adjust his premiums since renewal to reflect this. He also thought Vitality should pay Mr B £100 compensation for the inconvenience he had been caused.

I issued my provisional decision on 19 July 2023. Here's what I said:

'The policy makes it clear that Vitality will not allow invoices it has paid to be paid back in order to achieve a lower claims band. However, the issue here is whether Vitality should have paid those invoices in the first place. I've therefore listened to the phone calls between Mr B and Vitality.'

In the first call, Vitality said it understood that Mr B wanted to set up a new claim. Mr B said he wanted to explore the possibilities. He said he wasn't sure if he was going to go through with the treatment privately or not, but probably would do. Vitality explained that it needed further information from Mr B's GP before it could authorise the treatment.'

Mr B then called Vitality again. He said he was waiting for a possible claim to be authorised, and wanted to know whether it was worth putting through the claim and its likely impact on his future premiums. He thought the cost of the treatment would be around £950 (after deducting the excess). Vitality explained that this would result in a 12.5% increase, not including any increase for age or base rate. Mr B ended the call by saying he would need to do his sums and make his mind up.'

I agree with our investigator that Mr B was undecided at the time about whether to claim for his treatment. Though it's also the case that he had asked Vitality to authorise the treatment, and was aware that Vitality was making enquiries with his GP about this. Vitality then wrote to Mr B on 1 June to confirm that it had authorised the treatment with his consultant.'

The matter would not have gone any further if Vitality had not received invoices from the treating consultant. However, Vitality did receive invoices, and it paid them because it had authorised the treatment. That is what I would have expected Vitality to do. If Mr B hadn't wanted Vitality to pay for the treatment, I think he should have made it clear to his consultant.'

that he would be self-funding. Alternatively, he could have told Vitality he'd decided not to claim, and the claim would have been cancelled.

Mr B says he didn't tell his consultant that he had a policy with Vitality. He is of the view that his consultant or their secretary only became aware of his policy because Vitality had contacted his consultant directly.

I asked Vitality whether it had contacted Mr B's consultant, and it confirmed it did not. Vitality says the consultant's secretary called it on 30 May to find out Mr B's plan details (which is not unusual), and Vitality provided this information. Vitality no longer has the call of 30 May, but its call notes make it clear that it had received an inbound call from the consultant's secretary, and they wanted to know Mr B's policy details.

In these circumstances, I don't find that Vitality did anything wrong. It had authorised treatment in line with the policy terms, and then paid the invoices it subsequently received for that treatment (after deducting the excess).

Mr B has also complained about the length of time that Vitality took to consider his complaint. Although Vitality did take a long time to provide him with its final response, I see that it wrote to him within eight weeks of his complaint to inform him that he could bring his complaint to this Service, as it was required to do.

Finally, Mr B has advised this Service that Vitality has received a further invoice that it has treated as a claim, which he had intended to self-fund. If Mr B wishes to complain to Vitality about this, he should raise his concerns with Vitality in the first instance.'

I asked both parties for any comments they wished to make before I made a final decision.

Mr B responded and made the following main points:

- He provided a copy of two billing statements sent by Vitality dated 7 July 2023, and says he thinks these show that Vitality has accepted his complaint is justified.
- He thinks he made it clear to Vitality that: - he would be having treatment; he hadn't asked Vitality to pay for it; he would probably meet the cost of the treatment himself; and he might decide to submit a claim when he reviewed the financial issues involved.
- As his phone calls with Vitality ended with him indicating that he was still undecided whether or not to claim, there was no need for him to have further contact with Vitality.
- He maintains that he did not inform the hospital of his policy with Vitality, and that bills were to be sent to his home address. He says that Vitality's claim that his consultant's secretary called it on 30 May cannot be correct.

Vitality responded to say it accepted my provisional findings.

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.

I've read the billing statements recently sent to Mr B. These say that Vitality wouldn't be paying the bills it had received relating to the treatment in May 2022 because it hadn't authorised the treatment. I don't know why Vitality has sent this information to Mr B, given that the invoices were previously paid (which is the subject of this complaint). I would suggest he contacts Vitality directly about this.

I do not agree with Mr B that he made it clear to Vitality that he would probably meet the cost of the treatment himself. I explained in my provisional decision that I accept he was undecided whether to make a claim when he spoke to Vitality. However, Vitality then authorised the treatment and paid the invoices it received, which is what I'd expect. I therefore remain of the view that Vitality didn't do anything wrong here.

I've explained in my provisional decision why I'm satisfied Vitality has shown that Mr B's consultant's secretary contacted it on 30 May. I haven't seen any evidence to support that Vitality contacted the hospital or Mr B's consultant, and Vitality denies doing so. As Mr B says he didn't inform the hospital that he had a policy with Vitality and that bills were to be sent to his home address, I think he should raise any concerns he has about this directly with the hospital.

My final 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 B to accept or reject my decision before 30 August 2023.

Chantelle Hurn-Ryan
Ombudsman