

## **The complaint**

T, a company, complains about the sale of a group private medical insurance policy by Howden Employee Benefits & Wellbeing Limited.

The complaint has been brought by Mr P, on behalf of T.

## **What happened**

In July 2020, T switched its private medical insurance cover to a new insurer (that I'll call 'Insurer Z'). The switch was arranged by Howden.

In 2022, a claim was made under the policy for Mr P's son. Insurer Z turned down the claim as they said the policy specifically excluded monitoring of a medical condition. Mr P complained to Howden about the sale of the policy on behalf of T. He said Howden had led him to believe there were no exclusions on the policy.

Howden didn't think it had done anything wrong, and said Insurer Z had accepted the policy without any personal exclusions. Unhappy with this, Mr P brought a complaint to this Service, on T's behalf.

Our investigator didn't recommend the complaint be upheld. He didn't think Howden had misled Mr P about the policy when it was sold.

Mr P didn't accept our investigator's findings, and so the matter has been passed to me for a 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.

When Howden arranged the transfer to Insurer Z, Mr P advised it that he had information to disclose about his son and asked for Insurer Z to contact him directly about this. Insurer Z did so, and I understand they initially advised Mr P that they intended to apply a personal exclusion to the policy for his son's condition. If that had happened, then Mr P's son wouldn't be able to make any claim for treatment of his condition.

However, Howden then spoke with Insurer Z, and Insurer Z confirmed they would provide cover without applying the personal exclusion. Howden emailed Mr P and said:

*[Insurer Z] have advised me that they called you to advise they would place an exclusion on the scheme for the declared condition.*

*I can confirm that they have advised me that they will accept the transfer without any exclusions, so I assume on this basis you are happy to proceed with [Insurer Z]?'*

Mr P says he understood from this that there would be no exclusions on the policy. However, I think it's apparent that Howden was referring to the personal exclusion that Insurer Z had previously advised him would apply to the policy. I note that Mr P responded to the email and confirmed he had been informed of a five-year exclusion for his son's condition, and asked if that was what Howden were referring to. I haven't been provided with Howden's response to that email, but on balance, I think Mr P would have understood that Howden was referring to the personal exclusion for his son's condition.

Insurance policies don't cover every eventuality, and the policy terms set out what is covered and what is not. The exclusion that Insurer Z relied on to turn down Mr P's son's claim is a very common one for private medical insurance policies.

Mr P thinks Howden ought to have told him that Insurer Z wouldn't cover the monitoring of his son's condition. However, Howden says it wasn't aware of the details of Mr P's son's condition, as Mr P spoke directly with the insurer about this.

Mr P says T's previous insurer covered his son's consultations in previous years. I don't know the details of why those claims were paid. Howden has provided this Service with the terms and conditions for the previous policy, and I see that this also excludes the monitoring of a medical condition. So I don't think the transfer to Insurer Z placed Mr P's son at a disadvantage, even if Howden had known that Mr P's son would need consultations to monitor his condition.

I therefore don't find that Howden mis-sold this policy.

### **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 T to accept or reject my decision before 23 August 2023.

Chantelle Hurn-Ryan  
**Ombudsman**