

Ombudsman decision

CIFO Reference Number: 15-000034

Complainant: [The complainant]

Respondent: [Insurance Company G]

It is the policy of the Channel Islands Financial Ombudsman (CIFO) not to name or identify complainants in any published documents. Any copy of this determination made available in any way to any person other than the complainant or the respondent must not include the identity of the complainant or any information that might reveal their identity.¹

This complaint concerns a refusal by [Insurance Company G] to pay for treatment under a medical insurance policy following a diagnosis of lung cancer in the complainant's wife.

Background

On [redacted for anonymisation purposes] the complainant's policy with [Insurance Company G] commenced. The moratorium underwriting criteria was selected by the complainant. This provides that if the claim relates to a customer's condition that existed within the 60 months prior to the start of the policy, this would not be covered. In addition, any reinstatement of cover for this condition would require the condition or symptoms of that condition to be absent for a continuous period of 24 months after cover has started.

[About 3 months after the policy commenced] the complainant's wife experienced a cough, headaches and a high temperature. The complainant was admitted to [redacted for anonymisation purposes] Hospital after losing consciousness. She was discharged from hospital on [redacted for anonymisation purposes] but whilst in hospital an x-ray had revealed a possible abnormality on her lung. A biopsy of her lung was taken at [redacted for anonymisation purposes] Hospital [about 4 weeks after discharge from the hospital] and she was advised that cancerous cells were present [a few days after the biopsy was done]. Treatment subsequently began, and the complainant submitted a claim to [Insurance Company G].

[Insurance Company G] declined the claim on the grounds that the condition of the complainant's wife was pre-existing. They referred to medical notes which set out that she had suffered from symptoms associated with lung cancer during the moratorium period of five years prior to inception of the policy. In particular, she suffered from respiratory symptoms, chest pain, right-sided body pain and shoulder pain during the moratorium period.

¹ Financial Services Ombudsman (Jersey) Law 2014 Article 16(11) and Financial Services Ombudsman (Bailiwick of Guernsey) Law 2014 Section 16(10)

In response, the complainant produced documents and opinions from consultants in cardiology, rheumatology and gastroenterology. These three consultants highlighted that the complainant's wife had attended consultations with each of them, but they were unable to identify a cause for her symptoms.

The complainant provided a further letter from a general practitioner which confirmed that his wife had not suffered any symptoms of lung cancer:

“She had been asymptomatic previously and had only presented with a suspected chest infection.”

Based on these medical opinions, the complainant disagreed with [Insurance Company G's] assertion that she displayed symptoms of lung cancer during the five years prior to 5 September 2014.

As a fair and reasonable resolution to his complaint, the complainant sought from [Insurance Company G] a reimbursement of £3,468.78 which he stated was the cost of his wife's private medical care. He also sought an award of compensation for distress suffered when the claim was rejected by [Insurance Company G].

Findings

I have considered all the available evidence to decide what is fair and reasonable in the circumstances of this complaint.

I accept that, at the time the policy began the complainant's wife had not been diagnosed with lung cancer. Even though she was not formally diagnosed until after the policy started, I believe the terms and conditions do allow [Insurance Company G] to consider the wife as having a pre-existing condition. These terms confirm she did not have to have been diagnosed by the time her husband took out the policy as it states a condition may be pre-existing

“even if a medical opinion has not been sought”.

A number of medical opinions had in fact been obtained as outlined above; however, the lack of conclusive diagnosis did not preclude the possibility of lung cancer and the severity of the symptoms suggests that she was in such pain for it to reasonably have been concluded that they were related to the subsequent diagnosis of lung cancer. For example, one of the consultants in a letter dated 11 April 2012 to her general practitioner describes the severity of the pain:

“At its worst it was absolutely devastating and brought her into the hospital.”

I disagree with the opinion of the general practitioner that the complainant's wife did not display any symptoms of lung cancer prior to December 2014. Chest or shoulder pain and pain on the right side of the body are recognised symptoms of lung cancer and

these were present on a number of occasions within the five-year moratorium period before inception of cover.

Given that her symptoms were consistent with those associated with lung cancer, that the symptoms were so severe and frequent, and that the diagnosis was made so soon following the inception of the moratorium policy, on a balance of probability I conclude that lung cancer was pre-existing under the terms of the policy and as a result [Insurance Company G] were entitled under the moratorium to exclude the complainant's wife treatment from cover.

It follows that I agree with the conclusions of the case handler. The complainant has made a number of representations in his complaint and subsequent correspondence to the effect that his wife's condition is covered under the policy but, given the material that I have considered from both parties, I am of the view that [Insurance Company G] have not been unreasonable in declining the claim in the circumstances.

Final decision

I do not uphold the complaint in this matter.

Douglas Melville
Principal Ombudsman and Chief Executive

Date: 20 May 2016