



## Case study: Insurance

### POOR ADMINISTRATION AND INADEQUATE COMPLAINT HANDLING IN RELATION TO A REJECTED INSURANCE CLAIM CAUSES DISTRESS & INCONVENIENCE

Themes: group medical insurance plan; experimental or off-label treatment: policy exclusion.

This complaint alleged unacceptably poor administration and delays that a complainant incurred when attempting to obtain medical cover for a specialist treatment under his insurance policy.

Mr T held private medical insurance cover under his employees' group medical insurance plan. In November 2022, Mr T was diagnosed with cancer. Mr T was admitted to hospital for treatment of a bleed, the costs of which were covered by Mr T's insurer.

In December 2022, Mr T's doctor contacted his insurer to approve a chemotherapy plan to commence later that month. The plan included chemotherapy and a clinical trial study. Mr T's insurer authorised some of the treatments but there was some confusion as to what the clinical trial study would entail. Subsequently, the treatment start date was delayed for a week. Mr T contacted his insurer who advised that they were reviewing Mr T's treatment plan because of an exclusion within Mr T's policy regarding experimental or off-label treatment. Mr T expressed the urgency for his treatment and stated that his doctor was only looking for authorisation for the standard chemotherapy cover and not the clinical trial. Two days later, Mr T's insurer advised both Mr T and his doctor that they had authorised the treatment. However, on the same day they reversed their decision. Unfortunately, the news of the reversal came shortly after Mr T had started the treatment.

In February 2023 Mr T made a complaint to his insurer about the way they had dealt with his claim. After receiving no response, Mr T referred his complaint to CIFO. He believed his insurer should apologise for the devastating impact their actions had caused. CIFO contacted Mr T's insurer regarding the complaint. In July 2023, Mr T received a phone call from his insurer apologising for their inadequate service and offering to put things right. Mr T wanted the documentation relating to his complaint but, unfortunately, neither Mr T nor CIFO received anything further.

CIFO continued throughout 2023 to request information regarding Mr T's complaint from the insurer. In early 2024, CIFO received and reviewed the requested information. CIFO noted that although Mr T's insurer had provided poor service and had failed to communicate with Mr T for six months after he made his complaint, the rejection of the insurance claim regarding the clinical trial was in accordance with Mr T's policy's terms and conditions. These clearly stated that experimental or off-label treatment would be excluded from cover. However, CIFO noted that Mr T's insurer had caused some delays while clarifying the experimental treatment with Mr T's doctor and had initially authorised the treatment only to reverse their decision after the treatment had already begun. Therefore, CIFO upheld the complaint and recommended Mr T's insurer compensate Mr T £2,000 for the distress and inconvenience they had caused during such a difficult time.