



Case study: Insurance

CIFO UNABLE TO INVESTIGATE COMPLAINT AS IT WAS RECEIVED OUTSIDE OF CIFO'S TIME LIMITS

Themes: pre-existing condition; rejected insurance claim; CIFO time limit for bringing a complaint; out-of-mandate.

This complaint relates to an insurer's rejection of the complainant's health insurance claim on the grounds it was a pre-existing condition which the complainant had failed to properly disclose. The complaint was brought to CIFO outside of the statutory time limit for bringing a complaint.

In March 2022 Mrs Y took out a health insurance policy. The application form required Mrs Y to answer a medical history questionnaire. She did not declare any pre-existing medical conditions. The insurance documentation issued to Mrs Y also provided a description of the limitations of her insurance policy regarding cover for pre-existing conditions.

Subsequently, Mrs Y submitted a medical claim for approximately £8,000. However, Mrs Y's insurance company rejected the claim. This was on the basis that they had found evidence from 2019, which suggested Mrs Y had a pre-existing medical condition. This had not been disclosed at the time the policy was obtained. In July 2023, Mrs Y made a complaint to CIFO through a legal representative.

CIFO investigated and noted that Mrs Y's insurance company had sent a final response letter to her complaint in December 2022. However, Mrs Y had advised her legal representative, who referred the complaint to CIFO on her behalf, that she had only received a response to her complaint in May 2023. Upon closer inspection, CIFO noted that there was evidence within the complaint documentation that confirmed Mrs Y had acknowledged receipt to her insurance company in December 2022 of their final response to her complaint. CIFO emphasised this to Mrs Y's legal representative who apologised for their oversight.

CIFO therefore concluded that Mrs Y had received her insurance company's final response to her complaint more than six months before Mrs Y's legal representative had submitted a complaint to CIFO. CIFO can only accept a complaint that is referred within six months of the complainant receiving a financial service provider's final decision on a complaint. Therefore, CIFO considered the complaint to be out-of-mandate as it was outside the time limit which would allow CIFO to investigate.

It is also noted that if the complaint had been made within the relevant time-limit, CIFO would have been likely to have upheld the insurer's rejection of Mrs Y's complaint based on the facts claimed by the insurer. This is as the treatment was excluded from the policy on the grounds it was an undisclosed pre-existing condition.