

## Non-disclosure of previous medical conditions

### Background

In early 2000 a customer unexpectedly underwent several medical events, which at the time were covered by their insurance. In 2014, to reduce the cost of their premiums, the customer engaged an insurance advisor to review their policy and upon their advice, changed their provider.

In 2017, they discovered that they were not covered by their new insurance policy due to pre-existing medical conditions. The customer claims they disclosed their conditions to the advisor and believes the application had been altered, with the conditions omitted from the application.

The customer lodged a complaint with FDRS for monetary compensation and for the advisor to be publicly sanctioned.

### Next steps

FDRS contacted the parties to seek resolution.

The initial response from the advisor was that they provided adequate advice to the customer. They acknowledged their assistance with completing some of the basic form entries, however, they did not acknowledge completing any of the health-related questions. The adviser maintained they were not told of any pre-existing medical conditions. Furthermore, they believed the matter was too old for FDRS to consider because the policy application took place in 2014, making the issue outside of the six-year FDRS timeframe.

A jurisdiction consideration was made to see if FDRS could consider the complaint. The adjudicator noted that while the original event (the application) took place in 2014, the renewal of the policy occurred in 2015.

### Outcome

It was clear from the initial investigation that a mutual agreement would not be reached so the matter went to adjudication. Both parties were invited to provide submissions including evidence to support their positions.

There were several aspects of the complaint that the adjudicator considered, including the advice given, the proposal process, and the duty of disclosure. A preliminary decision was issued, and both parties were invited to respond. A final decision was then issued and shared with the parties.

The complaint was **not upheld** as the adjudicator found that the customer did not provide sufficient evidence to support their claims of having disclosed their pre-existing medical conditions or show that the adviser had falsified information. While the adjudicator expressed sympathy with the customer, the complaint was dismissed.