

The complaint

Mr M complains about the way Mapfre Asistencia, Compania Internacional De Seguros y Reaseguros, S.A. (hereafter “Mapfre”) handled his travel insurance claim.

What happened

The following is only a summary as both parties are aware of what happened.

In July 2019, Mr M took out a single trip travel insurance policy underwritten by Mapfre and travelled to a country I’ll call “D”. Mr M was scheduled to spend just under three weeks in D, and he was planning on marrying his resident partner whilst there too.

In August 2019 and during his trip Mr M was thrown from a horse. He needed initial treatment and then regular hospital visits in D because of his injuries, and the doctors there said he was not fit to fly.

With the support of his family in the UK Mr M made a travel insurance claim for assistance. Mapfre began to request information such as medical reports, and although both parties found it difficult to get information from the hospital in D at times, Mr M provided as much information as he was able to obtain.

In September 2019 Mapfre declined Mr M’s claim. It said based on the nature of his injuries there was no indication that he was unfit to fly home as originally planned.

A complaint was raised about delays in Mapfre’s assessment of the claim, its decision to decline and its overall level of communication.

In December 2019 Mapfre issued a final response letter. It stood by the claim decision but acknowledged it had caused many avoidable delays. Mapfre apologised and said it had provided feedback to the relevant parties. As a gesture of goodwill it offered to cover Mr M’s accommodation costs up until the date of the claim decline, and his return flight home too.

Mr M was declared fit to fly by the hospital in D at the end of December 2019. His mobile phone and passport were stolen in D in January 2020, and he flew back to the UK in February 2020.

Unhappy with what had happened in D Mr M referred his complaint to this service. He said Mapfre had abandoned him when it declined his claim and had caused him significant distress and inconvenience. He said Mapfre’s actions had also caused him to suffer consequential losses in the UK too, and to put things right he wanted the following paid:

- The costs of his hospital appointments, prescriptions, and transport to hospitals in D.
- The cost of the stolen and replacement mobile phone.
- The cost of his emergency travel document.
- The costs of moving his original return flight, his actual return flight, and his coach journey in the UK from the airport to his home area.
- The mobile roaming charges he incurred in D.

- Loss of earnings in the UK.
- The costs of the marriage documents as that wasn't able to go ahead.
- The costs of his policy and his excesses waived.
- His living expenses in D.
- The costs of arrears built up on his UK finance agreements.
- An overall award for distress and inconvenience.

Our investigator thought Mapfre had declined Mr M's claim unreasonably. They thought it should have done more to obtain an independent examination for Mr M at the time, and recommended it pay the following:

- The costs of Mr M's hospital appointments, prescriptions, and transport to the hospitals in D.
- The costs of moving Mr M's original return flight, his actual return flight, and his coach journey in the UK from the airport to his home area.
- The cost of Mr M's emergency travel document.
- £400 compensation for the trouble and upset caused.

Mapfre agreed with all of the investigator's recommendations. It also said that it would pay half the costs of Mr M's replacement passport, plus £50 towards related transport costs in getting the replacement too, which our investigator thought was fair.

Mr M did not agree with our investigator's opinion in full. He acknowledged that some of the costs being claimed weren't specifically covered under his policy, but said they should be reimbursed because Mapfre had deserted the policy's responsibilities to him and this wasn't a normal claim scenario. Mr M said Mapfre had been directly responsible for him remaining in D longer than he should have done, and all of the events that had subsequently happened and he was now claiming for were because of its abandonment.

Mr M asked for the complaint to be referred to an ombudsman and so the matter was passed to me to decide.

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.

Mr M has set out his position at length and I thank him for taking the time to do so. I have summarised events in less detail than they have been presented. If I do not mention something it is not because I have ignored it, it is because I do not consider it central to the outcome of this complaint.

Mapfre will be aware that it has a responsibility to handle claims both promptly and fairly, and should not reject them unreasonably.

As I noted above, Mapfre declined Mr M's claim in September 2019 because it didn't think there was evidence of him being unfit to fly home as planned. Our investigator didn't think Mapfre had acted reasonably in reaching that decision when it did, and both parties agreed with that.

Because that aspect of Mr M's complaint no longer remains in dispute I will not set out my findings on it at length, but for the avoidance of doubt I don't think Mapfre acted reasonably in declining Mr M's claim when it did either. I too think Mapfre should have done more to seek further evidence about Mr M's condition and his fitness to fly at the time, for example by pursuing its initial offer to arrange an independent medical examination.

Both parties also agreed that the following costs should be paid:

- Mr M's hospital appointment, prescription, and transport costs to the hospital in D.
- The cost of moving Mr M's original return flight, his actual return flight, and his coach journey in the UK from the airport to his home area.
- The cost of Mr M's emergency travel document.

Again, for the avoidance of doubt I too agree that those should be paid for the reasons our investigator has rightly explained. And I note that Mr M has also agreed that the following expenses will not be paid:

- His marriage documents.
- His living expenses in D and his visa overstay costs.

The remainder of the costs remain in dispute so I will set out my findings on them in full.

The cost of the stolen mobile phone and the replacement purchased

I was sorry to learn that in January 2020 Mr M had items stolen from him whilst in D. This event was clearly another difficult experience for him.

Whilst I have much empathy for what happened, I'm not persuaded that I can fairly direct Mapfre to pay the cost of Mr M's stolen phone or the replacement he purchased. There are a number of reasons for this which I'll now explain.

The terms and conditions of Mr M's policy set out that 'valuables extension cover' (which includes mobile phones) is available as a specific policy upgrade:

"This section only applies if you have chosen the optional valuable cover upgrade prior to leaving your home area, have paid the appropriate additional premium and it is shown on your endorsement certificate."

Mr M's insurance certificate shows that he did not purchase this additional upgrade, meaning he was not eligible for the valuable extension cover that might have otherwise been provided.

I know that Mr M says he was only in D at the time the items were stolen because of Mapfre's failings and there was every probability that he would have returned home sooner had it not been for Mapfre's mistake, but I'm not persuaded I can fairly agree.

It would not be fair of me to automatically hold Mapfre responsible for everything that happened following its declination of Mr M's claim. In the circumstances of this complaint I don't think that the theft of Mr M's valuables was a reasonably foreseeable consequence. And the available medical evidence does not demonstrate that, had Mapfre not declined the claim when it did, Mr M's injuries would have healed any faster either. Nor does it demonstrate that he would have been declared fit to fly any sooner.

I appreciate Mr M says there's every probability that would have happened and there's a direct causal link between Mapfre's actions and the costs he incurred. But other than Mr M's testimony there is no contemporaneous medical evidence to corroborate this.

Separate to the above, Mr M also says he was only in D at the time of the theft because many of the difficulties he faced in arranging a flight home post-December 2019 were related to the costs involved in doing so.

Within its final response letter Mapfre told Mr M it would reimburse the cost of his return flight. Mr M says he would have forfeited his ability to refer his complaint to this service had he accepted Mapfre's offer, but I can't see that Mapfre told Mr M its offer was in full and final settlement of his complaint. Mapfre asked Mr M to contact it at his earliest convenience in relation to the reimbursement and I can't see that Mr M did that. And I can't see that he contacted Mapfre to see if it would have been willing, or able, to provide the flight reimbursement upfront given he was struggling to afford the return either.

The mobile roaming charges

Turning to the terms and conditions of Mr M's policy once again I can see a list of general exclusions. Within that list the cost of phone calls is confirmed as being excluded from cover. Given these costs are specifically excluded from cover and Mr M would not have had an eligible claim for them even if Mapfre had done things differently, I'm not persuaded that it would be fair of me to direct it to pay these.

The loss of earnings

The list of general exclusions also sets out that loss of earnings is excluded from cover. So, this isn't something Mr M would have been able to claim for under his policy either. And similarly, as I have already explained, there isn't any medical evidence to corroborate that Mr M's injuries would have healed any faster or he would have been declared fit to fly any sooner had Mapfre not declined his claim when it did.

I do recognise Mr M's strength of feeling about the causal link between Mapfre's actions and the events that followed. But for the reasons given above I'm not persuaded that I can hold Mapfre responsible for Mr M's loss of earnings and this isn't something I can fairly direct it to pay.

The costs of the policy and a waiver of excess

Despite the dispute Mr M has with Mapfre, it was on risk during the period of insurance and Mr M did make a claim on his policy. Mr M may not have received the benefit of the policy in the scope he had hoped for, but Mapfre did provide him with some assistance at the time of his claim and given both parties have so far agreed that Mr M should get further benefit from the policy too, it would not be right of me to direct Mapfre to refund the cost of this policy.

Similarly, it would not be right of me to direct Mapfre to waive any applicable excess. The terms of Mr M's policy set out:

"Under most sections of this policy you have to pay the first part of any claim. This is called an excess. This will apply to each person claiming and to each incident and to each section of the policy you claim under. This amount is shown under each of the sections where it applies.

If you pay an extra premium your policy can include an excess waiver which will remove all excesses apart for the hazardous activities medical excess (see Section V on pages 35-36) or the winter sports activities medical excess (see Section Q6 on page 30)."

Mr M's certificate of insurance shows he did not pay an extra premium to include the excess waiver with his policy, and so I think it fair that his claim is subject to the relevant excesses.

The arrears on Mr M's finance agreements

I am sorry to hear that Mr M has fallen behind with some of his financial agreements.

The financial position that Mr M found himself in was clearly difficult, but for the reasons I have already given I cannot fairly conclude that his extended stay in D was because of Mapfre's mistake. I also note that financial affairs aren't covered under Mr M's travel insurance policy, and the terms and conditions of his policy set out that his cover would end when he either returned home following a trip or once his policy term had ended – whichever was the earlier.

The passport costs

Cover for replacing a lost or stolen passport is available under the policy, with the terms stipulating that only the pro-rata value of the original passport at the time of the loss or theft is covered. That being said, following our investigator's involvement Mapfre confirmed it would be prepared to cover half of the cost of Mr M's replacement passport, plus £50 towards any transport costs involved in him getting that replacement.

I appreciate Mr M says that the full cost of the replacement should be paid, but I disagree. The full cost of a replacement passport is not something that his policy provides cover for, and like his mobile phone the theft of Mr M's passport is not something that I consider to have been reasonably foreseeable either.

The offer Mapfre has made is more than it was required to provide under the policy, and so I will not be asking it to increase this.

The distress and inconvenience

An award of compensation is not designed to punish a business for its mistake. It is intended to fairly and proportionately reflect the impact that a business's mistake has had on someone.

The very nature of experiencing an accident or illness abroad can be very difficult. In the circumstances of this complaint and as Mr M has detailed, he was in a foreign country when he had an accident, many of the medical staff he was dealing with did not speak English, and the medical services available to him were different to what he was used to in the UK.

Although it's not disputed that Mapfre did not act reasonably when declining Mr M's claim, I have set out why I can't fairly conclude that its mistake was the cause of all the events that subsequently followed. Nor that some of those events were foreseeable either.

That being said, I do agree that Mapfre's mistake had an impact on Mr M. For example, Mapfre's declinature caused Mr M much distress. Its delays in progressing the claim and keeping him updated caused Mr M worry and frustration. And Mr M found himself needing to rely on support from family in the UK which was likely to have caused him additional inconvenience, worry, and concern.

Mapfre has already apologised for any undue inconvenience caused which I think was the right thing for it to do. But like our investigator I too think that an award of compensation is warranted, and for the reasons given above I think £400 represents a fair and proportionate reflection of Mapfre's mistake.

Putting things right

Mapfre should put things right by paying the following costs. Payments made will be less any applicable policy excesses, and where relevant subject to Mr M providing evidence of the costs incurred:

- The costs of Mr M's hospital appointments and prescriptions in D, plus the costs of his transport to and from the hospitals in D.
- The costs of rearranging Mr M's original return flight (£315), his actual return flight, and his coach journey in the UK from the airport.
- The cost of Mr M's emergency travel document.
- Half the cost of Mr M's replacement passport, plus £50 towards any related transport costs involved in getting that replacement.

8% simple interest should be added to the above payments, from the date Mr M first claimed for them to the date of settlement.

If it has not already done so, Mapfre should also pay Mr M:

- £400 compensation for distress and inconvenience.

My final decision

My final decision is that I uphold this complaint and direct Mapfre Asistencia, Compania Internacional De Seguros y Reaseguros, S.A to put things right in the way I have set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 22 April 2022.

Jade Alexander
Ombudsman