

## The complaint

Mrs F complains about the way AWP P&C SA has handled a claim she made on a travel insurance policy.

## What happened

Mrs F held an annual travel insurance policy which she'd taken out through a broker.

In January 2022, Mrs F was abroad in a country I'll call U when she was taken ill. She says she contacted AWP's medical assistance line, but received little support, although she says she was told that if she was admitted to hospital for treatment, AWP would sort things out. Mrs F was admitted to hospital for two days. She incurred medical bills of over \$25,000.

Upon her return to the UK, Mrs F made a claim for her medical costs. She provided AWP with information it'd asked for but received no response. She began to receive a number of chasers from the hospital for the outstanding bill. Despite chasing AWP and making a complaint, neither Mrs F's claim nor complaint appeared to be progressed.

Unhappy with AWP's handling of her claim, concerned that the hospital might sell the debt to a collection agency and worried that she might be prevented from entering U again in the future, Mrs F asked us to look into her complaint.

We asked AWP for a copy of its file. But despite chases, it didn't provide us with any information or evidence. Therefore, our investigator assessed the complaint based on the information he did have. And he concluded that Mrs F's complaint should be upheld. He noted the policy covered medical expenses. As AWP had provided no claims information, he didn't think it had shown that the claim wasn't otherwise covered. So he recommended that AWP should settle Mrs F's claim and pay her £250 compensation for the trouble and upset it had caused her.

AWP didn't respond to the investigator's assessment and so the complaint was passed to me to decide.

I issued a provisional decision on 3 February 2023. In my provisional decision, I explained the reasons why I didn't think AWP had treated Mrs F fairly. I said:

*'First, it's important I explain that given AWP has provided us with no information or evidence, despite repeated requests, I've necessarily had to base my provisional decision on the evidence I do have. However, should AWP send me any evidence in response to my current findings, this may change my view.'*

*The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So I've considered, amongst other things, the terms of Mrs F's policy and the circumstances of her claim, to decide whether AWP treated her fairly.*

*I've first considered the policy terms and conditions, as these form the basis of Mrs F's*

*contract with AWP. Section A sets out 'Emergency Medical Expenses' cover. This says that AWP provides up to £10 million cover for emergency medical, repatriation and other associated expenses. Medical expenses cover is provided for emergency medical treatment incurred outside a policyholder's home country.*

*On the face of things, it seems Mrs F has a valid claim. I've seen copies of the medical report she provided following her collapse; a bill for her costs and the treatment she received abroad. Her medical costs were well below £10 million.*

*The medical emergency Mrs F faced happened now over a year ago. I can see from communications Mrs F sent to AWP that she made the claim quickly and provided necessary evidence promptly. But despite chasing-up AWP a number of times, including letting it know about the reminder letters she was receiving from the hospital and her fears about the potential impact on her future ability to travel to U, it simply didn't respond. Neither did it provide a final response letter to Mrs F's complaint, in breach of the regulator's rules.*

*And given it's only now, over a year after the events took place, that AWP has requested Mrs F's consent to access her medical records, it seems it still isn't in a position to make a claims decision. Based on what I've seen so far, it would seem unfair for me to find that AWP can continue to assess the claim, meaning that Mrs F might suffer further delays or potential recovery action. It isn't at all clear that any further assessment might be done in a timely way.*

*I think AWP has had ample time to consider Mrs F's claim and obtain the information it needed to decide whether or not it should be paid. It didn't do so. Neither has it provided me with any information or evidence to show a reason why the claim might not be payable. And therefore, I currently plan to direct AWP to settle Mrs F's claim, in line with the remaining terms and conditions of the policy.*

*It's clear too that the unnecessary delays Mrs F has experienced in the handling of her claim and in AWP's failure to respond to her queries has caused her frustration and worry. I don't doubt that Mrs F has been concerned about her ability to travel to U in the future, or a potential impact on her credit rating. I've seen no valid reason for the delays Mrs F has experienced or for the upset she's been caused. So I intend to tell AWP to pay her £500 compensation for the material distress and inconvenience its handling of her claim has caused her over a year-long period.'*

I asked both parties to provide me with any additional evidence or comments they wanted me to consider.

Neither Mrs F nor AWP had anything more to add.

### **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.

Having done so, as neither Mrs F nor AWP have provided any further evidence or comments, I see no reason to change my provisional findings.

So my final decision is the same as my provisional decision and for the same reasons.

### **My final decision**

For the reasons I've given above and in my provisional decision, my final decision is that I

uphold this complaint.

I direct AWP P&C SA to settle Mrs F's claim, in line with the remaining terms and conditions of the policy.

I also direct AWP to pay Mrs F £500 compensation

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 7 April 2023.

Lisa Barham  
**Ombudsman**