

The complaint

Mr and Mrs M are unhappy with Inter Partner Assistance SA (IPA) because it caused delays in handling and settling their travel insurance claim.

Any reference to IPA includes all its agents.

What happened

Mr and Mrs M took out an annual multi-trip travel insurance policy on 28 March 2022. The policy expired on 28 March 2023 and IPA was the underwriter.

While abroad, Mr and Mrs M were involved in a boat accident and they both sustained injuries to their back. Mr M had to be hospitalised for surgery to his spine. They say IPA took too long to authorise payment for the surgery, caused them worry and stress and communication throughout was poor.

They made a complaint to IPA. It agreed delays were caused in guaranteeing payment for the surgery. It also agreed that communication while they were abroad was poor in updating and keeping them informed about the claim. IPA offered £150 compensation in recognition of its failings.

Unhappy with the response from IPA, Mr and Mrs M brought their complaint to this service. Our investigator looked into it and concluded IPA could have handled the claim better and provided better service, so she recommended IPA pay in total £350 compensation.

IPA accepted the investigator's findings. Mr and Mrs M didn't accept it and asked for the complaint to be referred to an ombudsman. So, it's been passed to me.

They say they're not happy with the compensation amount because of the unnecessary distress caused by IPA in the way the claim was handled and lack of communication and updates throughout.

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.

The insurance industry regulator, the Financial Conduct Authority ('FCA'), has set out rules and guidance for insurers in the 'Insurance: Conduct of Business Sourcebook' ('ICOBS').

ICOBS says that insurers should act honestly, fairly and professionally in accordance with the best interests of their customers, and that they should handle claims promptly and fairly.

My understanding is that IPA has now reimbursed costs incurred by Mr and Mrs M for the actual claim they submitted, and this has been done so in line with the policy terms and conditions.

The key issue that's in dispute now is the £150 compensation IPA has offered.

Mr and Mrs M say they suffered significant distress and inconvenience as a result of IPA's handling of the claim and the service it provided. They say £150 doesn't reflect the impact that was caused to them and it's not fair and reasonable for what happened. I will therefore be focusing on this issue.

I appreciate and acknowledge that Mr and Mrs M went through a traumatic experience and dealing with everything that followed must have been very difficult and very challenging, particularly as they were abroad. I also understand the difficulties Mrs M faced having to deal with arranging treatment and Mr M's operation as well as having to deal with her own injuries she'd suffered.

I've considered everything carefully and looked at what happened from the date the accident happened in July 2022. Having done so, I think £350 total compensation is fair and reasonable in the circumstances. I'll explain why and have provided my reasons as follows:

- There was an issue with Mr M being admitted to a public hospital rather than a private hospital. I can see there was some confusion regarding whether Mr M should be repatriated or transferred to a private hospital. While IPA was trying to obtain medical information to make the decision, which is what would be expected, there was a lack of communication in updating Mrs M during this time. In one communication, Mr and Mrs M were told repatriation was being considered and an email followed which said the medical team had advised to repatriate Mr M to the UK.
- I think there was a delay in Mr M receiving treatment and having an operation which could have been avoided. The information IPA requested regarding seeing an updated medical report and whether his surgery could have taken place in the public hospital using Mr M's Global Health Insurance Card (GHIC) wasn't unreasonable. But there was delay and confusion caused which meant that Mr M's surgery took place later than it should have. The decision to undertake the surgery was made early on 24 July 2022 but he wasn't taken in until around 9pm that day even though IPA had been informed Mr M wasn't fit to fly and that the public hospital had a long waiting list. So, it was right for Mr M to be transferred to the private hospital and have the surgery there. And I can see while surgery was authorised, it wasn't until Mrs M called IPA around 9pm to ask whether the guarantee of payment was given that surgery then took place soon after.
- I also note what happened regarding arranging accommodation for Mrs M and Mr M when he was released following surgery. Accommodation was booked by IPA for a few days as a time in a hotel nearby and the guarantee of payment for this portion was provided for a few days at a time too. This isn't unreasonable as it depended on how Mr M recovered from the surgery and when he would be issued with a 'fit to fly' certificate. However, new rooms were allocated to them by the hotel and having just had surgery, Mr M and Mrs M (who had also sustained an injury) were asked to move rooms. I think this could have been avoided if IPA had communicated with the hospital or their medical team to ascertain timescales for Mr M's recovery and readiness to either stay longer in the country or return to the UK. I think IPA also could have communicated better and updated Mr and Mrs M during this time to manage their expectations.
- Mr and Mrs M were asked to go to a nearby clinic to obtain a 'fit to fly' certificate but when they got there, they were told the treating hospital could only provide this. So, they had to make an unforeseen journey to the hospital. But bearing in mind, Mr M was recovering from surgery and Mrs M had injuries also, the situation could have been handled better by IPA and had it communicated better with the hospital about obtaining the certificate, the distress and inconvenience caused to Mr and Mrs M

could have been avoided.

- I've mentioned above that Mrs M had also sustained injuries in the accident. But as she wasn't hospitalised, she had no option but to communicate with IPA and make necessary arrangements for Mr M. I can't see that IPA has taken Mrs M's situation into account and the worry and frustration caused to her during this difficult time.

Overall, taking everything into account, I think IPA could have handled the claim better and the communication during this time could also have been better. Based on all the available evidence, some of the delays could have been avoided. I acknowledge that IPA has agreed the service could have been better and apologised for this. However, looking at everything carefully, I think a further £200 in addition to the £150 already offered by IPA is fair and reasonable in recognition of the failings and the distress caused to Mr and Mrs M. I do appreciate Mr and Mrs M don't think this sufficiently recognises the impact caused to them. But, based on what happened, I don't think IPA needs to do anything further than award £350 in total.

Putting things right

To resolve Mr and Mrs M's complaint, IPA should:

- Pay £350 total compensation for the poor service it provided in handling the claim.
- Pay the compensation within 28 days of the date on which we tell it Mr and Mrs M accept my final decision.

My final decision

My final decision is that I uphold Mr and Mrs M's complaint about Inter Partner Assistance SA.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mrs M to accept or reject my decision before 25 May 2023.

Nimisha Radia
Ombudsman