

## **The complaint**

Mr M and Mrs G complain about how AWP P&C SA dealt with a claim against their travel insurance policy. Reference to AWP includes its agents.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here in full. In summary, Mr M and Mrs G have travel insurance underwritten by AWP as a benefit of a bank account. They planned a trip with departure and return dates of 6 December 2021 and 10 January 2022 respectively. On 21 December 2021, Mr M and Mrs G's infant son, who I'll refer to as H, required emergency medical treatment in relation to a rash and swelling to his arm. They contacted AWP and made a claim against their policy.

In January 2022, Mr M received an invoice from the treating hospital and contacted AWP to enquire about the progress of the claim. Mr M and Mrs G contacted AWP several times about its payment of the invoices from the treating hospital. On 28 April 2022, AWP e-mailed the treating hospital and other healthcare providers asking for medical reports, final bills and bank account information. Mr M and Mrs G continued to contact AWP regularly about the matter.

In mid-September 2022, AWP discovered that it had made an error when it set up the claim in that it had named Mr M as the patient, rather than H. It asked the treating hospital and other providers for relevant information for the right patient, H. Mr M and Mrs G continued to chase AWP about progress of the matter.

Mr M and Mrs G complained to AWP about the delay in dealing with their claim. AWP acknowledged the delay. Mr M and Mrs G continued to receive outstanding invoices and correspondence from a collection agency.

Mr M and Mrs G want AWP to deal with their claim and compensation for their distress and inconvenience.

One of our investigators looked at what had happened. He said that AWP hadn't handled Mr M and Mrs G's claim promptly, as its obliged to do. The investigator said that AWP delayed in reviewing the claim initially and in asking the treating hospital for relevant information. He said that AWP also set up the claim incorrectly, which caused confusion with the treating hospital.

The investigator said that AWP's delays and errors caused Mr M and Mrs G worry and inconvenience as they received letters demanding payment and had to contact AWP about this on multiple occasions. He recommended that AWP pay Mr M and Mrs G compensation of £350 in relation to their distress and inconvenience. The investigator said that AWP needed to carry out its own review of the treatment and invoices but that it should do so promptly.

There was further correspondence between both parties and this service. Mr M and Mrs G didn't agree with the investigator's recommendation. In summary, they say that this matter has been going on since December 2021 and they've suffered stress and anxiety. They want this matter resolved and compensation in the region of £5,000.

As there was no agreement between the parties, the complaint was passed to me to decide.

### **My provisional decision**

On 17 April 2023, I sent the parties my provisional decision in this case. I said that I intended to uphold the complaint but the direction I intended to give in order to put things right is different from that which has been suggested before. I said:

#### *'the relevant terms and conditions*

*Subject to the policy terms, Mr M and Mrs G are covered for emergency medical and associated expenses necessarily incurred as a result of unforeseen bodily injury, illness or disease.*

#### *has the claim been handled fairly?*

*The relevant rules and industry guidance say that AWP has a responsibility to handle claims promptly and fairly and it shouldn't reject a claim unreasonably. I intend to uphold this complaint because I don't think that AWP treated Mr M and Mrs G fairly or reasonably. I say that because:*

- *It's common ground that AWP didn't deal with Mr M and Mrs G's claim promptly. Mr M and Mrs G first made their claim in December 2021. Based on what I've seen, it appears that AWP didn't contact the treating hospital and other providers for the information it required until 28 April 2022. By then, Mr M and Mrs G had received multiple invoices from medical care providers.*
- *It subsequently transpired that AWP had incorrectly identified Mr M as the patient, instead of H. So, it had asked the medical care providers for information in relation to a patient they hadn't treated.*
- *In September 2022 - almost nine months after the initial claim – it asked the treating hospital and other providers for the information it required in relation to the correct patient.*

- *The delay didn't end there. In response to a query from this service, AWP says that it stopped chasing for the information it required. It acknowledges that wasn't the right course of action and that it should have continued to pursue the matter and kept Mr M and Mrs G informed. I understand that it began pursuing the matter again in or around February 2023.*
- *In a case like this one, we'd usually say that an insurer is entitled to ask for the information it needs in order to assess the claim. But in the particular circumstances of this complaint and given AWP's considerable delays, I think it's fair and reasonable to direct AWP to settle the invoices from the treating hospital and other providers arising from H's emergency medical treatment in December 2021, subject to the policy terms. For the avoidance of doubt, that includes laboratory invoices and any follow-up appointment.*
- *AWP's delay in dealing with this matter meant that Mr M and Mrs G received worrying correspondence over several months from the treating hospital, other providers and debt collectors. That no doubt caused them distress and inconvenience in relation to what should have been a straightforward claim. I've considered this matter carefully. In all the circumstances, I think that compensation of £350 is fair and reasonable in this case. In reaching that decision, I've taken into account the nature, extent and duration of Mr M and Mrs G's distress and inconvenience caused by AWP's errors and delays in this case.'*

### **Responses to my provisional decision**

We didn't hear from Mr M and Mrs G in response to my provisional decision. AWP said that it had no additional comments.

### **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.

As neither party has provided any substantive comments following my provisional decision, I see no reason to change it. My provisional findings now form part of this final decision. For the reasons set out in my provisional decision, I uphold this complaint.

### **Putting things right**

In order to put things right, AWP should:

- Settle the invoices from the treating hospital and other providers arising from H's emergency medical treatment in December 2021, subject to the policy terms. For the avoidance of doubt, that includes laboratory invoices and any follow-up appointment.
- Pay Mr M and Mrs G compensation of £350 in relation to their distress and inconvenience.

**My final decision**

My final decision is that I uphold this complaint. AWP P&C SA should now take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G and Mr M to accept or reject my decision before 1 June 2023.

Louise Povey  
**Ombudsman**