

The complaint

Mr and Mrs M have complained about the way Admiral Insurance (Gibraltar) Limited ('Admiral') dealt with their claim.

All references to Admiral include any agents acting on its behalf.

What happened

Mr and Mrs M have a travel insurance policy, underwritten by Admiral. They travelled abroad and made a claim as Mr M was admitted to hospital for emergency treatment. Following Mr M's discharge, Admiral arranged accommodation for an extended stay and repatriation. In addition, Mr and Mrs M claimed further expenses when they returned home.

Mr and Mrs M were unhappy with the delays in repatriation and the level of communication so they complained. Admiral responded and agreed that it didn't deal with the repatriation as effectively as it could have done and offered to pay £100 compensation.

Mr and Mrs M accepted the £100 compensation but continued to chase for settlement of their expenses. But Admiral failed to respond any further and so the complaint was referred to this Service.

Our investigator looked into the complaint and didn't think Admiral had treated Mr and Mrs M fairly. He recommended that Admiral pay an additional £200 compensation and the outstanding claim for expenses, plus interest.

Admiral didn't respond and so the case has been passed to me for a final decision.

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, I think this complaint should be upheld. I'll explain why.

The relevant rules and industry guidelines say an insurer should handle claims promptly and fairly. And should provide appropriate advice and guidance.

Following Mr M's discharge from hospital, Mr and Mrs M repeatedly chased Admiral for updates on when they would be able to fly home. Admiral accepts that it didn't keep Mr and Mrs M properly informed and didn't explain the repatriation arrangements well enough. This caused distress and inconvenience to both Mr and Mrs M for which Admiral offered and paid £100 compensation.

On their return to the UK, Mr and Mrs M submitted a claim for expenses including for travel and meals. Admiral did not reply or settle this claim and Mr and Mrs M chased numerous times.

Under section 1 of the policy, the following expenses are covered:

“for one person from your home area to stay with you if medically necessary, including economy class travel costs and expenses for their meals and travel.”

Under the section ‘claiming for emergency medical and travel expenses abroad’ it says:

“You must provide receipts for all travel, accommodation, meals and phone calls for you and anyone staying with you during your illness.”

Mrs M uploaded her receipts and invoices to the portal shortly after she returned to the UK in June 2022. She raised a further complaint about these expenses but didn’t receive a response. I don’t think Admiral has acted fairly or promptly.

Admiral should now pay the outstanding claim for expenses, in line with the remaining policy terms and conditions with 8% simple interest to recognise the period of time Mr and Mrs M have been without these funds.

Admiral failed to provide sufficient updates and guidance during the repatriation process. And it has delayed in settling the expenses claim. I think the resulting distress and inconvenience has had more than just a minor impact on Mr and Mrs M. So I agree a total of £300 compensation is more appropriate. Admiral should pay £200 more in addition to the £100 already paid.

My final decision

For the reasons set out above, I uphold this complaint and direct Admiral Insurance (Gibraltar) Limited to:

- Pay an additional £200 compensation to Mr and Mrs M (in addition to the £100 compensation it has already paid) for distress and inconvenience.
- Pay the outstanding claim for expenses in line with the terms and conditions of the policy and any applicable limits.
- Add and pay 8% simple interest on the amount paid for expenses from the date the claim was made, to the date of settlement.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mrs M and Mr M to accept or reject my decision before 12 July 2023.

Shamaila Hussain
Ombudsman