

The complaint

Ms A complains that Great Lakes Insurance SE has unfairly declined her travel insurance claim.

Any reference to Great Lakes also includes its agents.

What happened

In August 2022 Ms A booked a trip abroad, departing on 3 October 2022 and returning on 7 October 2022. In Sept 2022 she took out a single trip travel insurance policy to cover the holiday – this was insured through Great Lakes.

Ms A started to feel unwell and, on the day before she was due to travel, she took a lateral flow test which provided a positive result for Covid-19. On 3 October 2022 she contacted the travel company to cancel her booking. She also submitted a claim to Great Lakes via its online portal on the same day, sending through a photo of the lateral flow test she had taken the day before.

An automated response was received from Great Lakes stating she had to complete a medical form with a signature from her GP to confirm she had been ill. Ms A hadn't visited her GP and so she researched online for a certified Covid test. She completed this on 7 October 2022 – receiving her positive test result from the company the same day. She provided this information to Great Lakes in support of her claim.

Ms A said she didn't receive an outcome to her claim until two months after she had initially submitted the documentation, this was despite her calling and emailing frequently over this period. Great Lakes declined her claim, stating that the diagnosis of Covid-19 hadn't been made within 14 days of the departure date as required by the policy.

Unhappy with this response, Ms A complained to Great Lakes about the decision and also about the poor customer service and delays she had encountered. Great Lakes apologised for the delays but maintained that the claim wasn't covered as she had been unable to provide an official medically approved test within 14 days prior to the departure date. Ms A decided to bring her complaint to this service.

Our investigator looked into the matter and thought the complaint should be upheld. She said the photo of Ms A's lateral flow test, taken the day before travel, did show the photo was taken in her home location and the date. And she also noted that Ms A had provided other official test results, albeit from a few days later which confirmed the diagnosis. So, even though Ms A hadn't complied with the full terms of the policy, our investigator said she'd provided sufficient evidence and therefore thought it was unfair to decline the claim. She recommended that Great Lakes reassess the claim, in line with the remaining terms and conditions. She also found that the way the claim was handled had caused trouble and upset to Ms A and recommended an award of £100 in compensation for this.

Ms A accepted her view but Great Lakes didn't. It said there wasn't any independent corroboration of Ms A's illness prior to the departure date. It said the photo of the lateral flow

test doesn't show who took it or when the test was taken. Great Lakes said it couldn't consider the test taken on 7 October 2022 as evidence that Ms A was unfit to travel prior to departure. As no agreement could be reached, the matter has been 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.

The relevant rules and industry guidelines say that insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules into account when deciding what I think is fair and reasonable in the circumstances of Ms A's complaint.

The policy terms and conditions

Ms A's claim relates to a cancelled trip due to her contracting Covid-19 the day before her departure. The policy has a separate section – Section 19 – which sets out the cover provided for claims relating to Covid-19. This includes the following:

B. Cancellation and cutting short your trip

We will pay you up to the amount shown in the Policy limits and excesses table for the level of cover you have selected, for your share of the cost of your trip as a result of:

- *The necessary and unavoidable cancellation as a result of you, your relative, a member of your household, travelling companion or a friend with whom you had arranged to stay has a diagnosis of COVID-19 within 14 days of your booked departure date, as certified by a medical practitioner following a medically approved test showing a positive result for COVID-19.*

It then goes on to refer to additional conditions that apply and it states the following:

We will require (at your own expense) the following evidence where relevant:

- *A copy of the positive test result for COVID-19 you received from a registered medical practitioner.*
- *Any other official document or medical report confirming your diagnosis for COVID-19 which leads to your self-isolation, or need to cancel your trip.*

Has the claim been declined fairly?

When looking at this section it is clear that the policy provides cover for cancellation if a policyholder contracts Covid-19 before their departure date and is unable to travel. From what Ms A has told us, she began to feel unwell a couple of days before she was due to go on this trip and took a lateral flow test which confirmed her diagnosis on the day before travel. Based on this information it would appear she has a valid claim under the policy.

The policy requires Ms A to provide evidence of her diagnosis, in the form of a copy of the positive test result received from a registered medical practitioner and any other official document or medical report which confirms the diagnosis. I therefore need to consider whether Ms A has provided evidence of her diagnosis as required.

Ms A provided a photograph of her positive lateral flow test. This photo was taken the day of departure and shows it was taken in her residential area. Great Lakes has said that this photograph doesn't show who took the test, nor does it prove when the test was actually taken. I accept that this photo in isolation doesn't show that it was Ms A that took the test or

the date it was completed as this isn't recorded. I'm satisfied this alone does not meet Great Lakes' criteria for evidence as detailed in the policy terms.

When Ms A received the automatic response from Great Lakes upon making her claim, she realised she would need a certified test. Ms A ordered a test through a recognised pharmacy chain which would provide her with official results. This had to be sent to her home and therefore it took a few days to arrive. Ms A completed the test and received the positive test result for Covid-19 via the pharmacy chain's online system the same day. Great Lakes has said that as this test wasn't completed until several days after departure it doesn't meet the policy requirement of getting a Covid-19 diagnosis within 14 days prior to the departure date.

I've noted Great Lakes' point here, and I've considered this carefully. I accept that the official test was not completed prior to the departure date, although it is important to point out the policy wording actually states it needs to be within 14 days of the departure – not 14 days *prior* to the departure as Great Lakes has suggested. But regardless of that, I'm satisfied Ms A has provided reasonable evidence to show a diagnosis of Covid-19 prior to her departure date. This is because of the lateral flow test completed prior to her departure, as well as an official test a few days later. I'm persuaded that Ms A has reasonably shown she has a valid claim under her policy.

So overall, based on the individual circumstances of this particular case, I'm satisfied that it would be fair and reasonable to consider that Ms A has provided reasonable evidence of the reason for cancelling her trip as required by the policy terms and conditions. So Great Lakes needs to reassess the claim, under the remaining terms and conditions.

Customer service

Ms A has also complained about the way Great Lakes has handled her claim. She has referred to delays and repeated requests for information. I can see that it took over two months for Ms A to receive the outcome to her claim and during this time she received various requests for information which she has complied with. Ms A has said she emailed replies and also called on several occasions - call backs were promised but didn't happen.

I can appreciate just how frustrating this must have been for Ms A who was trying to get a resolution to her claim. And when the promised call backs weren't received, this would have only added to that frustration. I'm also aware that Ms A had to resort to trying other avenues, including sending an email to the Chief Executive of the brand detailed on the insurance policy, to get a response from Great Lakes.

It is clear that Ms A has been inconvenienced when trying to resolve this issue. I don't think this was reasonable. Great Lakes has apologised for the poor customer service, which I think is the right thing to do. Our investigator recommended that Great Lakes make a payment of £100 to Ms A for the trouble and upset caused to her due to the poor handling of the claim. I'm satisfied that this recommendation is fair and reasonable in the circumstances.

Putting things right

Great Lakes needs to reassess the claim on the basis that Ms A has shown she has a valid claim under Section 19, Cancellation and cutting short your trip part of the policy, taking into account the remaining policy terms and conditions.

It also needs to pay Ms A the sum of £100 as compensation for the trouble and upset caused to her during the handling of the claim.

My final decision

For the reasons mentioned above, I uphold this complaint.

I direct Great Lakes Insurance SE to put things right as detailed above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 6 July 2023.

Jenny Giles
Ombudsman