

The complaint

Mr J and Ms W are unhappy with the service they received from Great Lakes Insurance SE when they claimed on their travel insurance policy.

What happened

Mr J and Ms W were on a skiing holiday when Ms W sustained injuries on the ski slope. They are unhappy with the lack of emergency assistance they received and that medical bills still haven't been paid.

Mr J and Ms W complained to Great Lakes. They issued a final response letter which acknowledged that there had been a lack of understanding of Mr J and Ms W's needs and a focus on paperwork. They said the cost of Ms W's surgery had been covered and that they were waiting for copies of the other bills.

Our investigator looked into what happened and upheld the complaint. He didn't think the claim had been handled promptly and fairly. He noted that Great Lakes had decided to close the assistance claim because they considered Mr J hadn't communicated with their staff appropriately. Our investigator didn't think that was a reasonable course of action and he also didn't think Mr J and Ms W were made aware of how to progress their claim. He recommended Great Lakes settle the claim, pay 8% simple interest and award £500 compensation for the distress and inconvenience caused to Mr J and Ms W.

Great Lakes accepted our investigator's recommendation. Mr J and Ms W asked an ombudsman to review their complaint. In summary, they don't feel the compensation fairly reflects the distress and inconvenience caused and that the recommendation didn't take all of the circumstances into account. They said Great Lakes had done nothing to settle their claim over a period of more than 15 months, Ms W continued to suffer lasting effects as a result of the lack of assistance and that Great Lakes had no understanding of the challenges of dealing with a ski accident.

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 Great Lakes has a responsibility to handle claims promptly and fairly. And, they shouldn't reject a claim unreasonably.

Great Lakes accepted our investigator's findings. It's agreed to pay the claim, simple interest and compensation. So, I'll focus on the remaining key issues in dispute.

I think the settlement Great Lakes has agreed to is fair and reasonable because I don't think that the circumstances of this complaint are so serious that Mr J and Ms W should receive between £2000 and £5000 compensation. I say that because:

- Great Lakes caused significant inconvenience and disruption. Mr J and Ms W had to go to a lot of effort to sort out medical assistance and they received poor service from the assistance team. But I bear in mind that ultimately Ms W was able to access medical treatment. And, I don't think there's evidence which supports that there was an extremely serious short-term impact which means compensation of £2000 or more should be awarded.
- I've taken into account what Mr J has said about the longer-term impact on Ms W's health. I've not been provided with persuasive evidence which demonstrates that Ms W's physical recovery has been negatively impacted by the lack of assistance she received from Great Lakes. And, I don't think the evidence I've been provided with suggests that there was, for example, severe ongoing disruption to Mr J and Ms W's daily lives or a lasting impact on Ms W's health or recovery.
- There was an ongoing financial impact during the time that the claim hasn't been settled. But I think the delay and overall poor service is fairly reflected in the overall compensation our investigator recommended.
- I can appreciate why Mr J and Ms W feel that Great Lakes wasn't able to deal with the challenges of a medical assistance claim for skiers. They had a frustrating and disappointing experience. Great Lakes has acknowledged that their service wasn't to the level it should have been, but I don't think that means the compensation offered is unreasonable in the circumstances of this case.

Putting things right

I'm directing Great Lakes to put things right by:

- Settling the claim in line with the policy terms and conditions. and providing Mr J and Ms W with a breakdown of the settlement figure.
- Paying 8% simple interest from the date a settlement figure is provided to the date of payment.
- Paying £500 compensation for the distress and inconvenience caused to Mr J and Ms W by the poor service they received.

My final decision

I'm upholding Mr J and Ms W's complaint and direct Great Lakes Insurance SE to put things right in the way I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J and Ms W to accept or reject my decision before 12 September 2023.

Anna Wilshaw

Ombudsman