

The complaint

Mr and Mrs L are unhappy with how Admiral Insurance (Gibraltar) Limited handled a claim they made on their travel insurance policy.

What happened

Mr and Mrs L were in the USA in October 2022 and Mrs L became unwell. They contacted Admiral for assistance and didn't feel they were given much support. Mr and Mrs L complained to Admiral about the lack of assistance and delays in settling their claim.

In January 2023 Admiral's emergency assistance provider issued a final response letter. They offered Mr and Mrs L £200 compensation as they acknowledged the communication could have been better. They explained, in summary, that there had been work going on behind the scenes but there had been some avoidable delays in getting Mrs L's GP records.

Our investigator looked into what had happened. She thought the £200 fairly reflected the distress and inconvenience caused to Mr and Mrs L. Mr and Mrs L said that their main concern was the outstanding hospital bill in the USA. They said they didn't know if this had been settled and the £200 offer had been made before any of their claim expenses had been settled. Our investigator raised a separate new complaint in relation to these issues and clarified some other points Mr and Mrs L had raised in relation to her findings.

As the investigator wasn't able to resolve Mr and Mrs L's complaint the case was passed to me to make a 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.

The relevant rules and industry guidelines say that Admiral has a responsibility to handle claims promptly and fairly. They should also provide reasonable guidance to help a policyholder make a claim and appropriate information on its progress.

I'm focusing on what happened up until Admiral's final response letter was issued in January 2023. In summary, Mr and Mrs L's complaint to the Financial Ombudsman Service in December 2022 was about the lack of assistance they received, delays in claims handling and that they didn't know if Admiral was in touch with the hospital about settling the bill.

I don't think Mr and Mrs L received the level of service they should have but I think the offer of £200 is fair and reasonable. I say that because:

- Admiral were making repeated attempts to speak to the treating hospital in October 2022. They weren't getting a response despite trying different avenues of enquiry. But I'm satisfied that they were trying to help Mr and Mrs L by getting the information they needed. However, this could have been communicated more clearly to Mr and Mrs L.
- Mr and Mrs L needed to change their flights as a result of Mrs L's illness. This led to them incurring additional flight costs. I appreciate it was worrying for Mr and Mrs L not to have their insurers help during that time. But, due to the timescales involved between the treatment and Mr and Mrs L's planned return home, I don't think it was unreasonable that Mr and Mrs L made the arrangements and claimed the costs back. In reaching this conclusion I bear in mind that cover had not yet been confirmed by Admiral for the reasons I'll go on to explain.
- I can see from the assistance company's notes that they were finding it very difficult to get information from Mrs L's GP. They needed this information in order to confirm cover. That's standard industry practice as travel insurers will check GP notes against the medical information a policyholder declared when the policy was taken out. This information wasn't received until after Admiral's final response letter was sent. This explains most of the delay in settling the claim up until the final response letter was issued.
- I agree Admiral caused some delay as there was confusion about who needed to pay for the GP notes in December 2022. But when Admiral realised this, they paid for the notes in order to move things forward as quickly as possible.
- I've taken into account Mr and Mrs L's comments about not knowing if Admiral were in touch with the hospital when they made this complaint. But, even if Admiral had been in touch with the treating hospital, they wouldn't have been in a position to settle the bill because they hadn't yet confirmed cover. They weren't able to do this until the medical evidence was received and reviewed.
- Mr and Mrs L say that they were asked to provide some information more than once. That seems most likely based on the available evidence. I accept that would have been frustrating and also caused them further worry about what was happening with their claim.
- I think Admiral could have communicated with Mr and Mrs L much more clearly throughout the claims process, including explaining what would happen with the outstanding hospital bill. This didn't happen and it caused Mr and Mrs L to worry.
- I appreciate that Mr and Mrs L feel they are left with around £2 compensation because they had to pay the policy excess. But the excess is something which needs to be paid in the event of any claim. That's clearly explained on the policy documents. And, I don't think it would be fair and reasonable to waive that excess in the circumstances of this case. I'm awarding compensation for the poor service Mr and Mrs L experienced which is a separate issue, albeit it amounts to a similar sum of money as the excess.

- Mr and Mrs L were in a position where they didn't feel their insurer helped them very much whilst they were abroad and that there were delays in settling a bill of a large sum of money they'd already paid. I accept that would have caused them worry and inconvenience. But I think the £200 compensation offered fairly reflects the distress and inconvenience caused by lack of communication and delays from late October 2022 until the point the final response was issued in early January 2023.

My final decision

Admiral Insurance (Gibraltar) Limited has already made an offer to pay £200 to settle the complaint and I think this offer is fair in all the circumstances.

So, my decision is that Admiral Insurance (Gibraltar) Limited should pay Mr and Mrs L £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L and Mr L to accept or reject my decision before 31 August 2023.

Anna Wilshaw
Ombudsman