

The complaint

Mrs and Mr H complain about Great Lakes Insurance SE's service and settlement for their repatriation claim under their travel insurance. My references to Great Lakes include its agents.

What happened

Mrs and Mr H bought an annual multi trip travel insurance policy. Great Lakes was the insurer for the travel elements of the policy.

Unfortunately on 16 September 2022 while on holiday abroad Mrs H badly broke her kneecap and was hospitalised. The treating doctor and Great Lakes recommended Mrs H have the required surgery in the relevant country. Mrs and Mr H wanted the surgery in the UK so Great Lakes returned Mrs H to a UK hospital for surgery by air ambulance.

The main points of Mrs and Mr H's complaint are:

- Great Lakes' service around Mrs H's repatriation was poorly coordinated and it took too long to return Mrs H to the UK. The agreement had been that the air ambulance could fly Mrs H home when a hospital bed was arranged for her arrival. But arrangements can't have been made for admission at the UK hospital because Mrs H was left in A&E for hours. The treating doctor abroad had recommended the surgery be completed within 10 days of the injury. The operation didn't happen until two days after her arrival in the UK, 12 days after the injury.
- Mr H and Mrs H's two adult children in the UK had to make around 100 calls to Great Lakes to chase the repatriation plan.
- The £700 hospital daily benefit Great Lakes paid didn't include all the expenses they'd incurred, some of which it had agreed to cover. Those expenses were:
 - Mr H's taxi fares to and from the hospital abroad between 17 to 20 September 2022.
 - Car rental and fuel for 21 to 25 September 2022.
 - Mr H's taxi fare to the UK airport they had flown from to collect their vehicle as the air ambulance went to another airport local to the hospital where Mrs H was admitted.
 - Covid-19 tests required for Mrs H to be admitted to hospital abroad.
 - Parking costs in the UK and the cost for hiring a wheelchair in the UK.
- They think Great Lakes should pay them for cutting short their holiday from the time Mrs H was hospitalised.
- They think Great Lakes should pay Mrs H compensation for her reduced mobility due to the accident.

Great Lakes said:

- It acknowledged and apologised that there were some technical issues with the phone lines, which were also very busy at times when Mr H and their family were calling.
- It had acted on Mrs and Mr H's requests for the repatriation and followed protocols. When a repatriation is being organised the air ambulance company needs confirmation that a hospital bed is available at an appropriate facility before accepting the job.
- The policy didn't cover taxi, hire car or fuel costs.
- The cost of the Covid-19 tests were higher than the claim excess so wasn't paid.

Our investigator said Great Lakes had unreasonably dealt with the claim. She recommended Great Lakes pay:

- Mrs and Mr H £200 compensation for their distress and inconvenience due to its poor service.
- The taxi, hire car and fuel costs abroad, less the £700 benefit Great Lakes had already paid, plus interest.
- The taxi cost in the UK for Mr H to collect his vehicle, plus interest.
- The Covid-19 tests, plus interest if Mrs and Mr H had already paid the hospital.

Our investigator also recommended Great Lakes assess a curtailment claim in line with the policy terms.

Great Lakes disagreed with the recommendations. It said it had no records of telling Mrs and Mr H the taxi costs were covered. It didn't think any compensation was due for the distress and inconvenience caused to Mrs and Mr H by the short delay in repatriation and our investigator had said the additional information it had requested was reasonable. It confirmed it would consider a curtailment claim from 16 to 20 September 2022.

Our investigator told Great Lakes the dates it had confirmed it would pay the taxi costs and explained that her compensation recommendation was mainly about Great Lakes' poor communication. She asked for Great Lakes' response and told it that if it didn't respond within a given date the complaint would be referred to an ombudsman for 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.

Great Lakes hasn't responded to our investigator's clarified recommendation at the time of my decision. I'm satisfied that Great Lakes has been given reasonable time to respond and it's fair for me to make a decision on the evidence I have.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And they mustn't turn down claims unreasonably.

Mrs and Mr H complaint covers many issues so I've set out my considerations and findings under the relevant headings.

Repatriation

I've considered the assistance company's notes, comments from the air ambulance company and Mrs and Mr H's evidence.

Mr H told Great Lakes about Mrs H's accident on 16 September. On 18 September Great Lakes received the medical report from the hospital abroad, which it needed before making plans. Mrs H was medically advised that the surgery should take place abroad which Great Lakes recommended. Mrs and Mr H wanted the surgery in the UK. Great Lakes agreed to their request and started to make arrangements for repatriation from that date.

Although Mrs H was given a fit to fly certificate on 18 September Great Lakes needed clarification as to whether Mrs H could sit upright during take-off and landings. I think it was reasonable for Great Lakes to check those details. Once the treating doctor said Mrs H wasn't able to sit upright Great Lakes knew it needed to arrange an air ambulance for Mrs H and did so.

I don't think there was an unreasonable delay by Great Lakes in starting the repatriation arrangements or arranging the air ambulance. Unfortunately such arrangements generally take time.

The air ambulance company is separate from Great Lakes. On 23 September the air ambulance company told Great Lakes that a hospital bed in the UK had been found for Mrs H and the flight home would be 26 September. After her return the air ambulance company told Great Lakes that *'The flight went smoothly and the patient was safely handed over to the receiving party'*.

Mrs H wasn't admitted to hospital immediately. She had an uncomfortable long wait at A&E. But I've seen no evidence that Great Lakes was responsible for Mrs H not being admitted to the hospital straight away.

Mrs and Mr H say she had surgery two days later than the treating doctor abroad recommended. But I don't think Great Lakes is responsible for that delay, it had told Mrs and Mr H that its recommendation was for her to have the surgery abroad. And if she'd done so I think it's probable there wouldn't have been the delay in her having surgery.

In all the circumstances I think Great Lakes made the repatriation arrangements in a reasonable timescale.

However, Great Lakes gave poor service in its lack of communication to Mrs and Mr H and their children about the repatriation plan. Great Lakes should have been more proactive in contacting Mrs and Mr H with updates which would have given them some reassurance that arrangements were being made. If Great Lakes had done so Mr H wouldn't have had the stress and frustration of keep trying to contact Great Lakes direct, or through their children, as he and Mrs H felt very vulnerable and forgotten about.

Great Lakes' poor communication caused Mrs and Mr H additional unnecessary upset and stress at an already very stressful time for them. And I think Great Lakes paying £200 compensation for Mrs and Mr H's distress and inconvenience due to its poor communication is a reasonable amount.

From Great Lakes notes it's clear that Mrs and Mr H's children were also very stressed by Great Lakes' lack of updates about the repatriation plan. But I can't award them compensation as they aren't an insured party on the policy.

Travel costs

The policy says under the 'Emergency Medical & Repatriation Expenses' section:

'Hospital Daily Benefit

...

What is covered:

We will pay you £50 per complete 24 hour period of in-patient treatment up to a maximum under this policy of £1,000 for a valid claim under Section 3a (Emergency Medical & Repatriation), if you are admitted to a recognised hospital abroad as an in-patient for more than 24 continuous hours and you are treated under a reciprocal health agreement...

This payment is to contribute towards additional expenses such as taxi fares and phone calls incurred during your stay in hospital'.

Great Lakes paid Mrs and Mr H £700 hospital benefit payment, a reasonable amount under the policy terms. The policy is clear that hospital benefit is to help with costs such as taxi fares not otherwise covered under the policy. But Mr H says Great Lakes confirmed that additional expenses over the hospital benefit limit would be covered if receipts were provided.

Under the policy 'General Exclusions' section taxi costs are excluded from cover apart from those set out under the 'Emergency Medical & Repatriation' section, which wouldn't include Mr H's journeys to see Mrs H in hospital. So those additional travel costs aren't covered by the policy terms.

However, Great Lakes told us in its email of 23 August 2023 that it had listened to all its calls to Mr H and *'He was wrongly told that he could claim taxis to and from the hospital'*. As Great Lakes told Mr H he could claim I think it should reasonably pay those costs.

Mr H made his journeys to and from the hospital in the later days when Mrs H was in hospital abroad in a hire car rather than go by taxi. He says taxi costs would have been much higher than the car hire and fuel costs. Between 17 and 20 September 2022, the first few days Mrs H was in hospital, Mr H spent €593.43 on taxis to and from the hospital. He's provided evidence of costs of about €300 for a hire car and fuel from 21 and 25 September 2022, the later days when Mrs H was in hospital. So if Mr H had taken taxis from 21 and 25 September instead of going by hire car the costs would have been nearly twice as much. As Mr H journeying by hire car reduced the costs Great Lakes said it would pay I think it's reasonable for it to pay the hire car and fuel costs.

Overall Mr H spent more on taxis and hire car costs abroad than the £700 hospital benefit paid. So the fair and reasonable outcome is for Great Lakes to pay Mrs and Mr H the difference between the amount Mr H paid in taxi fares and hire car and fuel costs while abroad and the £700 it's already paid in hospital benefit, plus interest as I've detailed below.

Great Lakes' assistance company notes of 26 September 2022 say Mr H's taxi costs to collect his car from the outbound flight airport in the UK would be covered. That note supports Mr H was told the cost would be covered. The policy covers *'additional travelling costs'* to repatriate Mrs and/or Mr H and I think the cost of getting Mr H back to the outbound airport could fall under those costs. That is a policy exclusion for costs incurred in the UK which could potentially apply. But as Great Lakes told Mr H the costs would be covered I think it's reasonable for it to pay the cost, plus interest I've detailed below. Mrs and Mr H have provided the receipt for the taxi cost.

Mr and Mrs H have also provided evidence of parking charges at the UK hospital between 27 and 29 September 2022 and parking costs at the outbound airport which I understand is

the additional cost for their extended stay abroad. They've also claimed the costs for a wheelchair after Mrs H had the surgery.

The policy section 'Emergency Medical & Repatriation Expenses', has an exclusion which says '*no expenses incurred within, or after you have returned to your home country*' will be covered.

As the policy specifically excludes costs Mrs and Mr H incurred in the UK I don't think Great Lakes has to pay the UK parking charges or wheelchair costs.

Covid tests

I see no reason why Mrs and Mr H's claim for the Covid-19 test expenses shouldn't be covered under the medical expenses claim as Great Lakes hasn't disputed that the tests were a condition of Mrs H's admission to the hospital abroad. So it should pay those costs, and if Mrs and Mr H have already paid those costs Great Lakes should add interest as I've detailed below.

Excess

I note Great Lakes' comment about the excess exceeding the cost of the Covid-19 tests. But I understand Great Lakes will have deducted any applicable excess from the medical costs it's already paid. If not and the excess applies under the policy terms then I think it's reasonable for Great Lakes to deduct an excess in line with the policy terms. Great Lakes would also need to take into account the travel costs I've directed it to pay when calculating what it should pay once any excess has been deducted.

Curtailment

Great Lakes has now agreed it will assess a claim for curtailment from 16 to 20 September 2022 which is reasonable as Mrs H's hospitalisation on 16 September effectively curtailed her and Mr H's trip. Mrs and Mr H will need to provide Great Lakes with the necessary information to assess the claim. If the parties can't agree the outcome of the curtailment claim then ultimately Mrs and Mr H can make a separate complaint to us on that matter.

Compensation for injury

I'm sorry to read that the effects of Mrs H's injury have been significant for her. Mrs and Mr H say Great Lakes should pay her compensation for the impact of her injury. I understand that Mrs and Mr H haven't yet made an actual claim for compensation with supporting medical evidence.

Our investigator correctly explained what the policy terms say about cover under the 'Personal Accident' section of the policy. A compensation payment may be due under that section for limb loss, loss of sight, or permanent total disablement. If Mrs and Mr H have medical evidence which they think supports a claim they should make a claim and send any supporting evidence to Great Lakes to assess. If the parties can't agree the outcome of a personal accident claim then ultimately Mrs and Mr H can make a separate complaint to us.

Our investigator has referred to the 'Legal Costs and Expenses' section of the policy which subject to the policy terms provides legal advice and, where there are reasonable prospects of success, taking legal action on Mrs and Mr H's behalf to recover losses or damages against a third party. Great Lakes isn't the insurer for that section of the policy. Our investigator has told Mrs and Mr H the name of the relevant insurer to contact if they want to get further information about what to do if they want to make a claim about Mrs H's injury

against a third party. As Great Lakes isn't the insurer for the cover under the 'Legal Costs and Expenses' section of the policy it doesn't need to do anything on this issue.

Putting things right

Great Lakes must put things right as I've detailed below.

My final decision

I uphold this complaint and require Great Lakes Insurance SE to:

- Pay £200 compensation for Mrs and Mr H's distress and inconvenience due to its poor service.
- Pay the taxi, hire car and fuel costs incurred abroad due to Mrs H's hospitalisation, less the £700 hospital benefit Great Lakes Insurance SE has already paid, less any applicable excess plus interest*.
- Pay the taxi cost for Mr H to collect his vehicle from the outbound airport in the UK, less any applicable excess plus interest*.
- Pay the Covid-19 tests costs less any applicable excess. If Mrs and Mr H has already paid the hospital for the tests then the settlement should be plus interest*.
- Assess Mrs and Mr H's curtailment claim in line with the policy terms.

Interest should be calculated at 8% simple a year from the date of claim to the date of settlement.

*If Great Lakes Insurance SE considers that it's required by HM Revenue & Customs to take off income tax from that interest it should tell Mrs and Mr H how much it's taken off. It should also give Mrs and Mr H a certificate showing this if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr H to accept or reject my decision before 21 November 2023.

Nicola Sisk
Ombudsman