

The complaint

Mr and Mrs B are unhappy that Aviva Insurance Limited haven't paid a claim made on their travel insurance policy (the policy) in full.

All references to Aviva include its medical emergency team and claim handlers.

What happened

When abroad on holiday with Mr B in March 2023, Mrs B became injured. She was taken to hospital for treatment and discharged a few days later. She was subsequently repatriated with the assistance of Aviva.

Mr and Mrs B made a claim on the policy for their out-of-pocket costs, some of which were accepted and paid by Aviva. Mr and Mrs B are unhappy that their claim wasn't paid in full and complained to Aviva.

In its final response letter, Aviva concluded that it had paid the aspects of the claim covered by the policy and that Mr and Mrs B weren't owed anything further. However, it accepted that the claim could've been settled sooner and offered £50 compensation.

Unhappy, Mr and Mrs B complained to the Financial Ombudsman Service. Our investigator didn't think Aviva had to do anything more to put things right. Mr and Mrs B disagreed. So, their complaint has been passed to me to consider everything afresh and 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.

Aviva has an obligation to handle insurance claims fairly and promptly. And it mustn't unreasonably decline a claim.

Just so everyone is clear, I know Mr and Mrs B are also unhappy with the way in which Aviva handled their repatriation back to the UK. However, that is the subject of a separate final response letter issued by Aviva and has been dealt with as a separate complaint by the Financial Ombudsman Service.

I appreciate Mr and Mrs B will be very disappointed, but I don't think Aviva has acted unfairly by not covering parts of the claim they made under the policy. I'll explain why.

- Subject to the remaining terms and conditions, the policy covers emergency medical and associated expenses - if someone covered under the policy falls ill during a trip. That includes the travel and accommodation costs for one relative or friend to stay with them (or travel to be with them), if Aviva's "medical emergency assistance provider and the treating doctor agree that it is necessary".
- Mr and Mrs B's daughter did travel to the country they were staying to be with them.

However, this was arranged before Mr and Mrs B contacted Aviva for assistance. So, it wasn't able to consider whether it was necessary for their daughter to travel to be with Mr and Mrs B. Further, Mr B was with Mrs B to provide support and I've seen nothing from the treating doctor from the time, that it was necessary for a second person to be with Mrs B to assist. So, I don't think Aviva unfairly declined to cover their daughter's flights (even if Aviva have now agreed to cover part of Mr and Mrs B's daughter's flight costs as gesture of goodwill, that would be more than it was required to do that under the terms of the policy).

- Mr and Mrs B made claims for food and drink expenses whilst Mrs B was in hospital and after she was discharged and was staying in their accommodation. Under the policy, "extra charges for half board accommodation (of a similar standard to the accommodation you had booked for your trip)" are covered "if it is medically necessary for you to stay after the date you were going to return home or travel to your next destination". So, I think Aviva has fairly and reasonably concluded that it would cover the costs of up to two meals per day for Mr and Mrs B after she'd been discharged from hospital back to her accommodation. And any food and drink expenses incurred outside of that aren't covered under the terms of the policy – including food and drink bought at the airport when returning to the UK.
- Further, Aviva has paid the medical inconvenience benefit of £20 per night for each consecutive 24 hours Mr and Mrs B's trip was disrupted if they are "in hospital receiving in-patient treatment". This benefit is often included in travel insurance policies to represent the incidental costs someone is likely to incur whilst staying in hospital such as for food and drink. So, I don't think it would be fair and reasonable for food and drink costs to be covered separately whilst Mrs B was in hospital, particularly as there isn't a policy term covering this expense in such circumstances.
- Whilst I know that Mr and Mrs B rented a car which was used for, amongst other things, Mr B visiting Mrs B in hospital and to pick their daughter up from the airport, having considered the policy terms and conditions, I don't think there's any cover for car hire, petrol or taxi costs (in respect of Mr B's travel to the hospital to visit Mrs B). However, Aviva has said that if Mr and Mrs B are able to provide any documentary evidence of Mrs B having to attend outpatient medical appointments after she was discharged from hospital, it would reconsider the proportionate costs of the car hire for the day(s) the car was used for that purpose. I think that's fair and reasonable.
- The policy covers "the cost of getting you home...if it is medically necessary because you are seriously injured...during your trip and you cannot use your return ticket". It isn't disputed that Aviva covered the cost of the return flights home which Mr and Mrs B ended up taking. They didn't use the return flights they'd originally booked and rearranged. However, they would've always had to pay to return to the UK even if the accident hadn't occurred – meaning their stay had to be extended. So, I don't think it would be fair and reasonable for Aviva to also reimburse Mr and Mrs B for the return flights they paid for and were, ultimately, unable to use.
- Aviva has used a particular currency converter to calculate the relevant exchange rate at the time certain costs were incurred by Mr and Mrs B for the aspects of the claim it has accepted. It says that's standard industry practice. However, it has also said that it will reassess the amounts paid in light of the exchange rates set out in Mr and Mrs B's credit card statements from the time. If there's any difference, it's said it will pay this to them. I think that's fair and reasonable.
- Aviva has more recently agreed to cover and settled the pharmacy costs in the approximate sum of 80 euros which it says was previously overlooked.

Aviva accepts that there was a delay in settling Mr and Mrs B's claim. It's offered £50 compensation to recognise this. I'm satisfied this amount fairly and reasonably reflects the

distress and inconvenience experienced by Mr and Mrs B having to wait longer than they reasonably should've to settle their claim.

Putting things right

I understand from Aviva that the offer of £50 compensation set out in the final response letter wasn't accepted so hasn't been paid. That being the case, I'm satisfied that Aviva should pay Mr and Mrs B £50 compensation for distress and inconvenience it's already offered.

My final decision

Aviva Insurance Limited has already made an offer to pay £50 to Mr and Mrs B to settle the complaint and I think that's fair in all the circumstances. My decision is that Aviva Insurance Limited should pay £50 to Mr and Mrs B if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs B to accept or reject my decision before 5 January 2024.

David Curtis-Johnson
Ombudsman