

The complaint

Miss C is unhappy with the way in which AWP P&C SA has handled a claim made on her travel insurance policy including not providing a substantive response to her claim for medical expenses.

What happened

Whilst abroad in 2022, Miss C injured her knee and required medical attention. She made a claim for her medical expenses she incurred which totalled over £300.

AWP requested documents in support of the claim, and these were provided by Miss C.

After that she chased AWP for updates and when she didn't receive a substantive response, she made a complaint. AWP didn't acknowledge the complaint so Miss C then complained to the Financial Ombudsman Service.

Our investigator looked into what happened and requested information from AWP. It didn't reply so based on the limited information available, our investigator upheld the complaint and subject to the remaining policy terms, recommended AWP to pay the claim together with 8% simple interest together with £200 compensation to Miss C.

AWP didn't reply so this complaint has been passed to me to determine.

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.

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

The relevant policy terms say:

The insurer will pay up to the amount shown in the 'Schedule of cover' applicable to the type of policy purchased.

If you suffer accidental bodily injury or become ill...the insurer will pay:

- a. Normal and necessary receipted expenses of emergency medical or surgical treatment incurred outside your home country...

Miss C provided receipts for medical costs she'd paid for whilst abroad to AWP. The costs incurred were for medical consultations, an x-ray, a knee brace, hiring crutches and pain relief medication.

AWP acknowledged receipt of these documents. And although Miss C chased for a response and subsequently raised a complaint, she hasn't received an outcome to her claim.

Subject to the remaining terms and conditions of the policy, and in the absence of receiving anything from AWP to the contrary, I'm satisfied that the medical costs incurred by Miss C are covered.

Further, AWP had covered the cost of Miss C being repatriated back to the UK with a medical escort. I think it's reasonable to assume that there aren't any policy exclusions relevant to the claim. So, on that basis, and given that it's been around 18 months since Miss C first submitted details of her claim for medical expenses to AWP, I'm satisfied that it would be fair and reasonable for it to now pay that claim (subject to the financial limits of the policy and any excess).

I'm also satisfied that AWP hasn't handled the claim promptly. And I don't think that's fair and reasonable. I'm satisfied that Miss C has been put to the unnecessary trouble of having to chase AWP for updates and to provide documents more than once. I also accept that it would be upsetting and frustrating to have to wait so long for her claim to be concluded. I'm satisfied £200 compensation fairly reflects the impact on her.

Putting things right

I direct AWP to pay:

- A. the claim for medical expenses subject to the financial limits of the policy and any excess.
- B. simple interest at 8% per year on the amount set out in A above calculated from a month after Miss C first made the claim to the date the medical expenses are settled*.
- C. £200 compensation to Miss C for distress and inconvenience.

* If AWP considers it's required by HM Revenue & Customs to take off income tax from any interest paid, it should tell Miss C how much it's taken off. It should also give her a certificate showing this if she asks for one. That way Miss C can reclaim the tax from HM Revenue & Customs, if appropriate.

My final decision

I uphold this complaint and direct AWP P&C SA to put things right as set out above. Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 23 April 2024.

David Curtis-Johnson
Ombudsman