

The complaint

Mr and Mrs D are unhappy with how AWP P&C SA (AWP) handled their travel insurance claim.

Any reference to AWP includes all its agents.

What happened

Mr and Mrs D have travel insurance alongside their bank current account. AWP is the underwriter on the policy.

In August 2023, Mr and Mrs D went on a cruise. Unfortunately, Mr D injured his knee on board the cruise ship. He was seen by the cruise's medical team, and they recommended for him to have a MRI scan.

On 12 August 2023, they contacted AWP to request approval for this. AWP said they would need to review the medical report and would get back to Mr and Mrs D.

On 13 August 2023, Mr D called AWP in the afternoon after he'd been to hospital for the MRI. In this call, he says he spoke to AWP that morning and he was told the MRI had been authorised. So, he went to have the MRI and he explained that in between, he'd received an email from AWP saying that the cost for the MRI wouldn't be covered.

Mr and Mrs D made a complaint to AWP because their claim for medical and transport costs weren't covered and because the service and communication he received when he returned to the UK was poor.

AWP issued a final response and maintained that the cost of the MRI wasn't covered as the medical report showed he didn't need to have this at the time. AWP acknowledged the service it provided could've been better, it apologised and offered Mr and Mrs D £150 compensation for the distress and inconvenience caused.

Unhappy with AWP's response, Mr and Mrs D brought his complaint to this service. Our investigator looked into it and upheld the complaint. He said there was insufficient evidence to confirm that Mr and Mrs D was told the MRI scan wouldn't be covered. There was a missing telephone call that AWP weren't able to provide and which it relied on to decline the claim for the costs incurred. As such, the investigator recommended that AWP settle the claim for medical and transport costs and pay 8% simple interest per annum one month from the date of the claim to the date of settlement.

Our investigator also recommended AWP offer a further £150 compensation, to a total of £300, for the distress and inconvenience caused to Mr and Mrs D in recognition of AWP's failings.

AWP accepted the investigator's findings.

Mr and Mrs D thought the findings were unfair. They say there was a lack of support from AWP over the decision to go for the MRI scan, why they had taken this course of action and

the back peddling and lack of support once they had returned to the ship. Mr and Mrs D wanted further investigation into these issues.

Our investigator reviewed Mr and Mrs D's comments and said that he had already considered all of these issues, but his findings remained the same.

So, the complaint has been passed to me to 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.

Industry rules set out by the regulator (the Financial Conduct Authority) say that insurers must handle claims promptly and fairly and shouldn't unreasonably reject a claim. I've taken these rules into account when making my final decision about Mr and Mrs D's complaint.

It's also important to point out that we're an informal dispute resolution service, set up as a free alternative to the courts for consumers. In deciding this complaint I've focused on what I consider to be the heart of the matter rather than commenting on every issue or point made in turn. This isn't intended as a discourtesy to Mr and Mrs D. Rather it reflects the informal nature of our service, its remit and my role in it.

My starting point here is noting that AWP has accepted our investigator's findings. This means it has agreed to settle the medical and transport costs Mr and Mrs D submitted and agreed to pay 8% simple interest in addition. AWP has also accepted the £300 compensation award that our investigator recommended.

Therefore, the key issue that remains in dispute is the amount of compensation recommended of £300. So, I'll focus on this issue when reaching my final decision.

Firstly, I acknowledge that Mr and Mrs D went through a difficult time when Mr D was injured and I'm sorry for this.

Mr and Mrs D say there was a lack of support from AWP over the decision to go for the MRI scan, why they had taken this course of action. AWP also back peddled and there was a lack of support once they had returned to the ship. Mr and Mrs D wanted further investigation into these issues as we hadn't gone far enough.

I've carefully considered Mr and Mrs D's comments and I agree with our investigator's outcome. I'll explain why.

In its final response, AWP offered £150 and following our investigation, it agreed with our investigator to offer £300 compensation to Mr and Mrs D. I think overall this is fair and reasonable. I say this because it's clear that the service provided by AWP was poor. I agree with Mr and Mrs D that had they not received confirmation from AWP that the MRI scan would be covered under their policy, they wouldn't have taken the trouble to board off the ship in order to carry this out.

Mr and Mrs D's version of events is entirely plausible and seems more likely to me, based on what happened and the information available. It's also evident that there was a clear lack of support from AWP when they returned to the UK. I can see Mr and Mrs D sent emails to AWP confirming their situation and there was no follow up to them.

Overall, I agree with Mr and Mrs D that there was a lack of support from AWP in dealing with

the situation. But, having said that, I'm satisfied the compensation recommended by our investigator of £300 and now accepted by AWP is fair and reasonable in the circumstances of this complaint. And for the reasons already provided by our investigator and for those I've given above, taking Mr and Mrs D's additional comments into account, I agree that £300 is fair and reasonable. There was a clearly a negative impact on Mr and Mrs D, as a result of AWP's handling of the claim, but I think £300 compensation is a fair reflection of the failings

Putting things right

AWP P&C SA needs to put things right by:

- Settling Mr and Mrs D's claim for medical costs and transport costs in line with the policy terms and conditions. It needs to add 8% simple interest per annum one month from the date of the claim to the date of settlement.
- Paying Mr and Mrs D £300 compensation for the distress and inconvenience caused by its poor service and communication.

It must do this within 28 days of the date on which we tell it Mr and Mrs D accept my final decision. If it takes longer, AWP must give Mr and Mrs D a meaningful update setting out the timeframe when they will settle the claim.

My final decision

For the reasons given above, I uphold Mr and Mrs D's complaint about AWP P&C SA.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs D to accept or reject my decision before 1 May 2024.

Nimisha Radia
Ombudsman