

The complaint

Mr P and Mrs P have complained about the settlement made by AWP P&C SA following a claim made under their travel insurance policy. They have also complained about the service they received.

What happened

The background to this complaint is well known to the parties so I won't set out all the details here. In summary Mr and Mrs P were on holiday in the summer of 2023 when Mr P was taken ill and hospitalised abroad. He was in hospital for nine days and wasn't fit to fly home on his release from hospital. AWP arranged repatriation 11 days later.

AWP settled the claim for medical, repatriation and additional accommodation expenses and paid medical confinement benefit. Mr P and Mrs P complained about the settlement figure. They said:

- Medical confinement benefit should have included the period Mr P was released from hospital until he returned home.
- The extended car hire costs should be covered.
- A trip within the UK had to be cancelled and this should be covered under this claim.

Our investigator recommended that the complaint be upheld in part and the claim for car hire expenses be reassessed. He also recommended that £100 in compensation be paid for poor customer service.

AWP didn't agree. It said that the claim for car hire expenses had been assessed correctly. It added that car hire for a relative to visit a policyholder whilst in hospital is not considered to be a medical emergency. It disagreed that car hire was a necessary cost of suffering an unforeseen illness. However, it accepted that the car was used to transport Mr P back from hospital and to take medication to him and so offered £150 to reflect the transport costs that would be considered a medical emergency expense.

Mr and Mrs P declined this offer. As no agreement has been reached the matter 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.

Firstly I'm aware I've summarised the background to this complaint and some sensitive medical details. No discourtesy is intended by this. Instead, I've focused on what I find are the key issues here. Our rules allow me to take this approach. It simply reflects the informal nature of our service as a free alternative to the courts.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So I've considered, amongst other things, the terms of the policy (in particular Section 2 – Emergency medical and associated expenses), relevant regulatory rules and guidance to decide whether I think AWP has handled Mr and Mrs P's claim fairly.

For the following reasons I agree with the conclusion reached by our investigator:

- I don't find that the confinement benefit of £50 per day was payable for the period when Mr P left hospital. The policy states that this benefit is payable for every complete period of 24 hours where the policyholder is admitted to hospital as an in-patient or is confined to their accommodation outside of their home country on the advice of a treating doctor. AWP paid the benefit for the period Mr P was in hospital, but there is no evidence from the treating doctor that he was confined to his accommodation after that time. Accordingly, I'm satisfied that AWP settled this part of the claim fairly and no further payment is due.
- The policy provides cover for reasonable additional transport or accommodation expenses incurred.... if it is medically necessary for the policyholder to stay beyond their scheduled return date. There is no dispute that it was necessary for Mr P to stay abroad beyond his scheduled return date, but AWP didn't consider that a hire car for Mrs P to visit during Mr P's admission was an emergency medical or associated expense. However it did agree that there was some necessity – delivering medication and transport from the hospital. Whilst I understand the point that AWP makes, on balance I'm not persuaded that '*reasonable additional transport expenses*' is sufficiently defined to enable AWP to exclude the cost of car hire in the present circumstances. I find it was reasonable for Mrs P to visit Mr P in hospital during his in-patient stay. Although she had requested a hotel closer to the hospital, the one she was provided with wasn't in walking distance. I find that AWP should reassess and pay the car hire for the additional days from when the car was due to be returned until (and including) Mr P's release from hospital.
- Mr and Mrs P's claim here fell under the medical emergency section of their policy. I don't find it was unreasonable for AWP to require they submit a new claim for a separate missed trip in the UK.
- AWP apologised to Mr and Mrs P for the service they received. It recognised that the claim wasn't dealt with promptly and there were repeated requests for documentation. Mrs P says that the poor service caused her unnecessary inconvenience, frustration and delays. I find compensation is due for this failing and I'm satisfied that £100 is fair and reasonable in the circumstances.

My final decision

My final decision is that I uphold this complaint in part. I require AWP P&C SA to:

- Reassess and settle the car hire costs incurred from the date the car hire was originally due to end until Mr P's release date from hospital.
- Pay Mr and Mrs P £100 in compensation.

I make no further award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P and Mrs P to

accept or reject my decision before 25 June 2024.

Lindsey Woloski
Ombudsman