

The complaint

Mr L is unhappy about the way in which AWP P&C S.A. handled claims made on his travel insurance policy.

What happened

Whilst abroad, Mr L was involved in a car incident. Some time later he was admitted to hospital, the extent of his injuries was assessed, and he underwent treatment.

A few months later, whilst still abroad, Mr L was involved in a second accident, and he required hospital treatment.

In between these two accidents, Mr L says he required urgent dental treatment, the costs of which he also claimed for.

AWP covered the medical costs relating to the injuries incurred because of the first accident. It also ended up paying Mr L £700 to represent the confinement benefit under the policy (£50 per day for each day he was hospitalised in respect of the first accident). However, it declined to cover any claim relating to the second accident because AWP concluded this accident took place after the maximum trip duration had been exceeded under the policy. AWP didn't think it was medically necessary for Mr L to extend his trip to around the time the second accident took place. AWP also declined the claim for dental treatment.

Mr L also says the confinement benefit he received should be increased because after he was discharged from hospital, he was confined to his bed at his accommodation for around another four weeks.

In its final response letter dated January 2024, AWP did accept that it had caused unnecessary delays with the claim and there had been communication failings. It apologised and offered £100 compensation to reflect the distress and inconvenience caused.

Our investigator looked into what happened. She didn't think AWP had acted unfairly by declining the claim in respect of the second accident for the reasons it did. She also said that AWP had correctly calculated the confinement benefit. However, she did recommend AWP pay the claim for emergency dental treatment in line with the policy terms and a total of £250 compensation for AWP's delays and communication failings to reflect the impact on Mr L, particularly as he was vulnerable.

Both parties accepted the view. AWP paid £1,000 for the emergency dental treatment which was the maximum benefit due under the policy for this type of claim. It also paid £250 compensation. Subsequently, Mr L said he disagreed with our investigator's recommendation that the confinement benefit had been calculated reasonably by AWP. So, this aspect of his complaint has been passed to me to consider afresh 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.

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

So, that everyone is clear as Mr L has only disagreed with one aspect of the opinion issued by our investigator dated 13 May 2024, I've confined my decision to this; namely whether AWP has fairly calculated the confinement benefit to be £700.

Section 2 of the policy ('emergency medical and associated expenses') sets out the medical confinement benefit. It says AWP will pay £50 a day (up to a maximum of £1,000) for every complete period of 24 hours admitted to hospital as an in-patient or confined to accommodation outside of the policyholder's home country, on the advice of a treating doctor.

Having considered the medical evidence from around the time, including the hospital discharge report dated August 2023, I'm not persuaded that Mr L was advised by the treating doctor to stay confined to his accommodation after he was discharged from hospital.

Mr L may have chosen to remain at his accommodation – and I can understand why – but I'm satisfied AWP has fairly relied on the terms of the policy when limiting the confinement benefit to the period he was hospitalised in the circumstances of this case. And paying a benefit of £700 as opposed to the maximum of £1,000.

I've taken into account all of Mr L's points including what he says about some of the medical observations made in August 2023 (and about his level of infection on discharge) but there's nothing to support that he was medically advised not to leave his accommodation after discharge from hospital. I think it's reasonable to assume this would've been included in the discharge report if that was the medical opinion at the time.

My final decision

As AWP P&C S.A. has now paid compensation for distress and inconvenience in the sum of £250 and the maximum benefit for emergency dental treatment, my final decision is that it doesn't need to do anything more to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 21 August 2024.

David Curtis-Johnson
Ombudsman