DRN-4908156

The complaint

Miss A and Mr L have complained about the way that Aviva Insurance Limited dealt with a claim they made on a travel insurance policy and their subsequent complaint.

As it is Miss A leading on the complaint, I will mostly just be referring to her in this decision.

What happened

Miss A and Mr L were on a trip abroad that had started on 22 December 2023. Mr L began to feel unwell but was initially managing the symptoms with over-the-counter medication. However, his condition worsened and he attended a clinic for treatment on 26 January 2024, which was the date they were due to return to the UK. As such, they were unable to make their flight and made a claim on the policy for the medical costs and the fee to re-arrange their flights. 26 January 2024 was day 36 of their trip.

Aviva declined the claim on the basis that the policy provides cover for a maximum trip duration of 31 days and Mr L's symptoms weren't present during that time. Miss A disputed that and so made a complaint.

Upon speaking to the complaints team, she was asked if she could provide evidence that his symptoms had begun prior to day 31 of the trip, which she was able to do.

Aviva accepted that it had been wrong to decline the claim at the outset based on the assumption that Mr L's symptoms were not present prior to day 31. So, it offered £200 compensation for distress and inconvenience. However, it maintained its decision to decline the claim on the basis that further information provided by Miss A hadn't made a difference.

Our investigator thought that Aviva had acted reasonably in declining the claim. He also thought that the offer of £200 compensation was a reasonable response to the complaint. Miss A disagrees with the investigator's opinion and so the complaint has been passed to me for a decision.

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.

Sourcebook' (ICOBS) includes the requirement for Aviva to handle claims promptly and fairly, and to not unreasonably decline a claim I've carefully considered the obligations placed on Aviva by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business.

Insurance policies aren't designed to cover every eventuality or situation. An insurer will decide what risks it's willing to cover and set these out in the terms and conditions of the policy document. The test then is whether the claim falls under one of the agreed areas of cover within the policy.

Looking at the policy terms, it states:

'*We'll provide insured persons with the cover set out in these terms and conditions for trips up to a maximum of 31 days.*'

Miss A accepts there's an exclusion in the policy for trips lasting over 31 days. However, as her early submissions explained the circumstances of Mr L becoming progressively unwell, Aviva should have known from the outset that the claim would be rejected.

It's not in dispute that the initial reason for declining the claim was incorrect. But Miss A has said that the conversation she had with the adviser on 27 January 2024, and the stated reason for the decline, led her to believe that the claim would likely succeed if she was able to prove that Mr L's symptoms pre-dated day 31 of the trip. I agree that her expectations would have been raised at that point, which is why she challenged the outcome by making a complaint.

On 9 February 2024 the Customer Care Manager asked for more information to get a better picture of the medical situation that they were facing at the time. Miss A says that this again raised her expectations and she and Mr L went to a lot of time and trouble in getting more information from both the clinic abroad and the NHS consultant that saw Mr L upon his return to the UK. I can see that it was not easy to get a response from the clinic and that they had to chase a number of times by phone and email.

Aviva wasn't sufficiently clear about why it was asking for this extra evidence and Miss A was still under the impression that it was the date of the onset of Mr L's symptoms that was the main consideration, meaning that the subsequent treatment on 26 January 2024 was 'needed and appropriate'.

However, overall, I don't think it was unreasonable of Aviva to ask for this further information. That's because there's also a clause in the policy that states:

'Extension of cover

If the insured person cannot get back to the UK before the trip limit ends, this insurance will remain in force:

for as long as deemed medically necessary by us and in consultation with the insured persons treating doctor where the claim is for emergency medical treatment under this policy.'

Based on this term, the key question was about the state of Mr L's health on 21 January 2024, which was day 31 of the trip, and whether his condition meant that he was unfit to fly on that date. If he hadn't been fit to fly, the policy may have been extended and therefore the expenses incurred on 26 January 2024 may have been covered.

Miss A might say that it should have been obvious to Aviva, based on what she'd told them, that it was only on 26 January 2024 that his condition significantly worsened and that he would have been able to fly before that date. However, I think it was reasonable for Aviva to want to look at a wider range of evidence before reaching a conclusion, especially as the interpretation of medical evidence can be very nuanced. It did not want to again decline the claim based on partial evidence. In that way it was trying to give the claim every chance of success.

I can understand that, from Miss A's point of view, it was a waste of time and effort, because the further information provided did not change the outcome. But that doesn't mean that it was wrong of Aviva to ask for it.

Miss A has pointed out that the £200 compensation offered by Aviva doesn't take into account the time and trouble she took in obtaining the extra medical evidence. But I agree with our investigator that, had the claim been handled as it should have, Aviva would have asked for that information anyway and it is likely that she would have complied with that request. Therefore, it wouldn't be appropriate to award more compensation for something that she would have needed to do anyway.

I appreciate the strength of Miss A's feelings about how she has been treated by Aviva. However, overall, I consider £200 to be a reasonable level of compensation for the distress and inconvenience caused.

My final decision

For the reasons set out above, I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A and Mr L to accept or reject my decision before 20 November 2024.

Carole Clark
Ombudsman