

## **The complaint**

Mr and Mrs M are unhappy that Red Sands Insurance Company (Europe) Limited (Red Sands) declined to cover a cancellation claim as it required further information.

## **What happened**

Mr and Mrs M have a single trip travel insurance policy with Red Sands which covered the period 5 June 2024 to 12 June 2024. Red Sands is the underwriter of the policy.

In June 2023, Mr and Mrs M booked a trip to depart in June 2024.

In March 2024, Mr M was unfortunately diagnosed with cancer. Mr and Mrs M had to cancel their trip due to the surgery and recovery time required. So, in June 2024, they submitted a cancellation claim to Red Sands for the cost of their flights which had to be cancelled. Red Sands received information it requested from Mr M's GP. It reviewed this but asked for additional information. The claim remains outstanding as Mr M was unhappy that Red Sands asked for this additional information. He thinks this isn't relevant to the claim.

Mr and Mrs M made a complaint to Red Sands. It issued a final response and said, in line with the terms and conditions of their policy, full medical history needs to be provided by their GP including any requested information. It said in order to progress the claim, Mr and Mrs M will need to provide this information from their GP as requested.

Unhappy, Mr and Mrs M brought their complaint to this service. Our investigator didn't uphold the complaint. He thought Red Sands had acted fairly and reasonably in requesting additional information to progress the claim.

Mr and Mrs M disagreed and asked for the complaint to be referred to an ombudsman. So, it's been passed to me.

## **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.

The relevant rules and industry guidelines say that insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules into account when deciding what I think is fair and reasonable in the circumstances of Mr and Mrs M's complaint.

I've started by looking at the terms and conditions of Mr and Mrs M's policy as they form the basis of their insurance contract with Red Sands.

On page 9 of the policy document under the '*Health/existing medical conditions*' states:

*'All existing medical conditions must be disclosed as well as any previous existing medical conditions that you have had that fall within the above questions.'*

*If you have not declared all your existing medical conditions your policy may be cancelled or treated as though it never existed, and any claims may be rejected or not fully paid. This could result in you being, and any claims may be rejected or not fully paid.'*

The Cancellation section of the policy also states the medical certificate must be completed by the GP.

Based on the policy terms, pre-existing medical conditions would need to be disclosed at time of applying for the policy and when a claim is made. And certain information is required by the insurer in order to validate that claim.

Mr M says declaring pre-existing medical conditions is required at the start of the policy only. But that's not accurate. It's not unusual for insurers to request information about the health of the insured at the time of making a claim. I can see that Red Sands has requested additional information from Mr M's GP and in the circumstances, this doesn't seem unreasonable or unfair here. Whilst the GP has completed the medical certificate, he hasn't done so fully. This is the issue in dispute on this complaint.

At the time of taking out the policy, Mr and Mrs M declared medical conditions – sinusitis and coeliac disease, respectively. These were covered under the policy and the premium reflected this. This isn't in dispute and the additional information requested by Red Sands is in relation to Mr M's medical history in the previous two years prior to taking out the policy. That's irrespective of whether this is about sinusitis or any other medical information.

On 14 June 2024, as part of the claims process, an email was sent to Mr M asking for information so Red Sands could validate his claim. Included in this email was some important information which stated:

*'On all claims for Cancellation due to illness, injury or death....please ensure that pages 5 & 6 of the medical certificate contain within the claim form, are completed in full by the GP of the person whose illness, injury or death has led to the trip being cancelled.'*

*Please have all medical conditions listed by the GP to ensure that any medical declaration made on the policy is accurate: n/a is not an acceptable answer. If no conditions exist they should state "none".'*

I acknowledge Mr M's comments that the condition was detected from a routine screening test and that his GP has said there is no relevant information. I understand this, but I don't agree that his GP has provided the information in full.

I've considered the medical certificate that was completed by Mr M's GP. On page 1 of the medical, the date the cancellation of the holiday was recommended hasn't been completed by the GP. I think this is insufficient as he's left the question blank. I'm not persuaded that Red Sands has acted unfairly in asking Mr M to request this information from his GP.

On page 2, the GP was asked to answer two questions. The first one was:

*'Had the patient been prescribed any medication, received any treatment, or attended any consultation or investigation with any medical practitioner for ANY medical or psychological condition in the last 2 years prior to the date of issue of the insurance?'*

The GP answered, *'Nothing significant or relevant'*.

The second question was:

*'Has the patient EVER had any treatment for any cardiovascular or circulatory condition (e.g. heart condition, hypertension, blood clots, raised lipids, stroke, aneurysm)?'*

The GP answered, 'No'.

Based on the answer provided in the first question, I don't think it's unreasonable for Red Sands to request additional information. It's not up to the GP to decide what is significant and/or relevant. The GP must simply provide the information and answer the question. It would then be up to the insurer (Red Sands) to decide how to proceed with the claim based on the answer provided. And if it needs additional information, this also wouldn't be unusual. I also note that the GP hasn't been clear in his answer to first question whereas, in contrast, the second question has been clearly answered as 'No'.

An insurer is entitled to make reasonable enquiries to satisfy itself that a claim is covered under a policy before making a payment, and making an insurance claim inevitably involves an element of inconvenience for a policyholder. In this case, I don't think it's unreasonable for Red Sands to make additional enquiries.

Overall, having looked at everything carefully, I'm satisfied that the additional information requested by Red Sands is relevant and necessary in order for it to progress and validate Mr and Mrs M's claim. As it stands, I don't think it's unfair or unreasonable for Red Sands to not progress the claim until Mr and Mrs M provide this information to it. It's up to Mr and Mrs M therefore to contact Red Sands directly with this information if they wish for their claim to proceed.

### **My final decision**

For the reasons given above, I don't uphold Mr and Mrs M's complaint about Red Sands Insurance Company (Europe) Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mrs M to accept or reject my decision before 10 March 2025.

Nimisha Radia  
**Ombudsman**