

The complaint

Mr N complains because Admiral Insurance (Gibraltar) Limited declined his travel insurance claim and cancelled his policy.

What happened

Mr N was insured under a travel insurance policy provided by Admiral. The policy started in August 2023 and covered two declared pre-existing medical conditions.

Unfortunately, Mr N fell ill and had to cancel a holiday, so he made a claim with Admiral.

Admiral said the claim wasn't covered because Mr N hadn't told it about another pre-existing medical condition. Admiral said if it had known about this then it wouldn't have offered Mr N the travel insurance, so it declined the claim, voided the policy and refunded the premiums paid.

Unhappy, Mr N complained to Admiral before bringing the matter to the attention of our service.

One of our investigators looked into what had happened and said he didn't think Admiral had acted unfairly or unreasonably in the circumstances. Mr N didn't agree with our investigator's opinions, so the complaint has been referred to me to make a decision as the final stage in our process.

After our investigator issued his opinion about Mr N's complaint, Mr N sent us evidence which he said demonstrated that he could have obtained cover with Admiral in January 2025 for all of his medical conditions. This evidence has since been shared with Admiral for its comments in line with the complaint handling rules which govern us.

I made my provisional decision about Mr N's complaint in April 2025. In it, I said:

'Mr N was asked questions about his previous medical history when he bought this policy. This means the principles set out in the Consumer Insurance (Disclosure and Representations) Act 2012 ('CIDRA') are relevant and I'm satisfied that it's fair and reasonable to apply these principles to the circumstances of Mr N's complaint.

CIDRA requires consumers to take reasonable care not to make a misrepresentation when taking out an insurance policy. The standard of care required is that of a reasonable consumer. If a consumer fails to do this, the insurer has certain remedies provided the misrepresentation is – what CIDRA describes as – a qualifying one. For the misrepresentation to be a qualifying one, the insurer must show it would have offered the policy on different terms or not at all if the consumer hadn't made the misrepresentation.

CIDRA sets out a number of considerations for deciding whether a consumer failed to take reasonable care. And the remedy available to the insurer under CIDRA depends on whether the qualifying misrepresentation was deliberate or reckless, or careless. Admiral has treated this misrepresentation as a careless one.

When buying this policy, Mr N was asked, amongst other things, whether he had ever been diagnosed with or treated for any heart conditions. Admiral says, in response to this question, Mr N should have declared a myocardial infarction which he'd had around six years before buying the policy.

I'm satisfied the question which Mr N was asked was clear and specific. I don't agree with Mr N's submissions that the question was poorly written or misleading and I don't think the fact that the question also mentioned a number of other medical conditions made it confusing. I think the wording used set out in a direct and easily understandable way what information Admiral wanted to know, and this included heart conditions which the policy purchaser ever had, regardless of whether the condition was still being treated. It wasn't up to Mr N to decide what medical information he thought Admiral wanted to know about and there was an obligation on him to accurately answer the question he was asked.

The medical information which I've seen shows that Mr N previously had a myocardial infarction, and I think the question asked when the policy was sold would have prompted a reasonable consumer that this was something which Admiral wanted to know about. So, I think Mr N should reasonably have declared the myocardial infarction to Admiral, and I don't think he took reasonable care when answering the question.

But, in order for Admiral to rely on the remedy for careless misrepresentation set out under CIDRA, it needs to provide evidence to demonstrate what it would have done differently if Mr N hadn't misrepresented his answer. I'm not satisfied that Admiral has demonstrated this.

Admiral has provided a screenshot from its internal systems showing that Mr N would not have been sold a policy if he'd declared a myocardial infarction and answered follow-up questions in a particular way. But I don't think the answers which Admiral has input to the follow-up questions accurately reflect Mr N's situation. Admiral has said that cover would have been declined based on answers which include 'no' to the question 'have you ever had a heart bypass, an angioplasty or a coronary stent'. However, all the evidence I've seen suggests that Mr N had multiple stents fitted, so the answer to this question on Admiral's retro-screening should have been 'yes'.

Admiral's current position as set out to our service in an email dated April 2025 is that it is prepared to carry out another retro-screening if it receives new medical evidence confirming that Mr N had a coronary angioplasty and/or stents fitted. Admiral says the fact that Mr N had a coronary angioplasty and/or stents is new information which it wasn't privy to at the time of the claim. I don't agree and I don't think this is a fair or reasonable position for Admiral to take.

Admiral has said there was nothing on the medical certificate provided by Mr N's GP to suggest that Mr N had stents fitted. I haven't been provided with a copy of the completed medical certificate. I've only seen extracts which were set out in Admiral's records, so I can't be sure exactly what the GP said. However, Admiral's own investigation notes from April 2024 state that the retro-screening it had carried out wasn't correct, as Mr N had told it in an email that he'd had 3 stents fitted.

I've attached a letter from Mr N's consultant cardiologist dated 25 November 2018 confirming that Mr N had a number of stents fitted. It's not clear whether Admiral has had sight of this letter previously, but it was open to Admiral to request further medical evidence and/or to clarify with Mr N exactly what the position was in April 2024 when it first identified that the original retro-screening answers were incorrect. Instead, Admiral chose to void Mr N's policy and decline his claim based on a retro-screening which it knew wasn't accurate and I don't think it was entitled to do this under the applicable law.

While CIDRA affords protection to businesses against consumers misrepresenting their medical history, it also affords protection to consumers by placing the onus on the insurer to provide evidence of its position if it is seeking to rely on the legislative remedy for careless misrepresentation. I don't think Admiral has satisfactorily demonstrated that it would never have offered cover to Mr N (or that it would have offered cover to Mr N under different terms). And I don't agree with Admiral's position that it has been disadvantaged by new medical information which has since come to light. Instead, I think Admiral has prejudiced its own position by failing to take the opportunity to fully explore the accuracy of the retro-screening answers at the time this claim was first declined.

Therefore, I don't think Admiral is entitled to rely on the remedy for careless misrepresentation set out under CIDRA and I think it would be fair and reasonable in the circumstances for it to now accept Mr N's claim, subject to the premium payable for the original policy.

It may be helpful if I explain to Mr N that it's generally up to the policyholder to bear the cost of providing any evidence required in support of a claim and the terms and conditions of Mr N's policy specifically say that any medical certificates must be provided at his own expense.

For the avoidance of doubt, I accept that an insurer's underwriting criteria can and often does change over time. I appreciate that Mr N has paid to obtain evidence showing his ability to purchase a new policy with Admiral covering all his medical conditions in January 2025. However, this doesn't demonstrate that Admiral would have offered cover on the same terms in August 2023 and Mr N had the benefit of the new insurance policy for the year he purchased it, so I don't intend to direct Admiral to reimburse him for the cost of this policy.'

I said I intended to direct Admiral to reinstate Mr N's policy and pay his claim.

Mr N replied to my provisional decision and said he had nothing further to add. Admiral said it would need to carry out a retro-screening answering 'yes' to the screening question about stents to confirm what cover it would have offered Mr N. Admiral also said it couldn't reinstate the policy.

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.

My provisional decision made it clear that I don't think it's fair or reasonable in the circumstances for Admiral to now seek to carry out another retro-screening. Admiral had the opportunity to do this over an extended period of time, both when Mr N made the claim and during correspondence with our service, but failed to do so.

A direction to reinstate the policy doesn't mean that Mr N's policy must be reactivated. It's the technically correct way of setting out redress when a policy has been unfairly voided, as happened here.

So, I won't be changing my provisional decision.

Putting things right

Admiral Insurance (Gibraltar) Limited needs to put things right and do the following:

- reinstate Mr N's policy and pay the claim, subject to the remaining terms and

conditions of the policy and subject to the deduction of the premiums previously refunded to Mr N;

- add interest to the claim settlement at 8% simple per annum from one month after the claim was made until the date the settlement is paid¹.

My final decision

I'm upholding Mr N's complaint about Admiral Insurance (Gibraltar) Limited, and I direct it to put things right in the way I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 30 May 2025.

Leah Nagle
Ombudsman

¹ If Admiral Insurance (Gibraltar) Limited considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr N how much it has taken off. It should also give Mr N a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.