

The complaint

Mr M complains about how Inter Partner Assistance SA (“IPA”) handled a claim under his travel insurance policy.

What happened

Mr M holds a travel insurance policy through his credit card. The insurer for the relevant policy section is IPA.

Mr M fell ill whilst on a trip abroad in February 2023. IPA accepted the claim, and it said it would pay the hospital bill directly to the provider. However, Mr M was chased for the unpaid bill. IPA said it paid the hospital directly in September 2024, but Mr M has continued to be chased for payment since then. This included a notice of a doorstep visit by debt collectors.

When Mr M first complained to IPA, it issued a final response in November 2023. IPA paid Mr M £250 for the distress and inconvenience caused and it said it would pay the bill. This final response doesn’t form part of this complaint, as Mr M brought his complaint to us too late.

So, our investigator looked into what had happened since this final response. IPA issued another final response in May 2024 in which it offered Mr M a further £100 for the distress and inconvenience caused, which it increased to £175 shortly afterwards. And it said it would chase for payment urgently.

Having considered how IPA handled Mr M’s claim, our investigator didn’t think IPA had acted fairly and reasonably. He thought the impact on Mr M was significant. So, our investigator thought IPA should pay Mr M £700 to compensate him for the distress and inconvenience caused – this included the £175 it had previously offered.

The investigator also said IPA should write to both the hospital and the debt collectors to confirm it accepted liability for the hospital bill and request any further correspondence about the bill to be sent to IPA directly. And it should take proactive steps to pay the hospital bill and pay for any charges added on the bill for late payment.

Both Mr M and IPA accepted the investigator’s recommendation. IPA said that the bill had already been fully paid, and it paid Mr M a further £450 for the distress and inconvenience caused, as it said it had already paid him £250. Our investigator clarified that the £250 IPA had paid was in relation to a previous complaint which we hadn’t considered. So, if IPA had only paid Mr M £450 under this complaint, then it needed to pay him a further £250 to bring the compensation under this complaint to £700. IPA didn’t respond to our investigator.

As the matter wasn’t resolved, the complaint has been passed to me 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.

Industry rules set out by the regulator (the Financial Conduct Authority) say insurers must handle claims fairly and shouldn't unreasonably reject a claim. Insurers must also handle claims promptly and should provide reasonable information about the progress of a claim. I've taken these rules, and other industry guidance, into account when deciding what I think is fair and reasonable in the circumstances of Mr M's complaint.

IPA has now sent evidence to show that it paid Mr M the £175 it had already offered under this complaint, as well as further £450. This means that IPA still needs to pay Mr M £75 to bring the total compensation to £700 under this complaint in line with the investigator's recommendation, as it agreed to do. However, Mr M wanted me to review his complaint.

It's clear that IPA caused unreasonable delays in paying the hospital bill. I can see from the claim notes that the hospital sent IPA the invoice with a due date of 20 July 2023. But IPA didn't pay this until 20 September 2024. IPA had already told Mr M in November 2023, when it answered his previous complaint, that it would pay the bill.

Mr M has explained that the worry about the bill has had a significant impact on his mental health, he was too worried to travel back to the country in question due to the unpaid bill, and he's had to take time off work due to the worry. He's also had to go through significant inconvenience to get the matter sorted. So, it's clear that the impact on Mr M has been significant.

However, I can see that IPA called the hospital on 10 December 2024, and the hospital confirmed the payment had been received (IPA made the payment on 20 September 2024). So, it's not clear why the debt collectors continued to chase Mr M for payment after this. That said, this shouldn't be something Mr M should have to worry about.

As the investigator recommended, I think IPA should write to both the hospital and debt collectors to confirm liability for the full outstanding debt, and that any future contact should be sent directly to IPA. And if any amount is still due, IPA should pay all costs relating to the hospital bill. It should also pay Mr M a total of £700 to recognise the significant distress and inconvenience caused. This means it now needs to pay Mr M £75 to bring the total compensation payments under this complaint to £700.

My final decision

My final decision is that I uphold Mr M's complaint and direct Inter Partner Assistance SA to:

- pay Mr M £75* for the distress and inconvenience caused (bringing the total compensation under this complaint to £700),
- write to both the hospital and debt collectors to confirm liability for the full outstanding debt, and
- pay all costs relating to the hospital bill.

*IPA must pay the compensation within 28 days of the date on which we tell it Mr M accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% simple per annum.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 16 July 2025.

Renja Anderson
Ombudsman

