

The complaint

Mrs S is unhappy that Chubb European Group SE hasn't fully settled a claim she made on her travel insurance policy.

What happened

Mrs S had a serious accident whilst on holiday and required emergency surgery. Chubb accepted the claim and have paid the medical expenses associated with the surgery. However, they've declined to cover additional expenses Mrs S incurred when she didn't return home as planned.

Chubb said that Mrs S didn't need to stay abroad as long as she did to recuperate. They say they weren't aware of this, and it prejudiced their position. Mrs S complained to Chubb but they maintained their decision was fair. Unhappy, Mrs S complained to the Financial Ombudsman Service.

Our investigator looked into what happened and upheld Mrs S's complaint. She didn't think Chubb had adequately evidenced that Mrs S had stayed abroad longer than she needed to. In reaching that conclusion she noted that Chubb hadn't persuasively explained why they didn't agree with the treating doctor's assessment that she was unable to travel.

Chubb didn't agree and asked an ombudsman to review the complaint. In summary, they said the medical evidence provided was retrospective and had they been better informed by Mrs S and her family they could have put a clear travel plan in place. They didn't think the medical evidence supported that Mrs S needed to stay abroad for as long as she did.

These further comments didn't change the investigator's thoughts about the outcome of the complaint. She thought that Chubb could have been more proactive in obtaining medical evidence from the treating hospital. She also wasn't persuaded that the lack of pre-authorisation had impacted the costs Chubb incurred in the way they suggested.

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 Chubb has a responsibility to handle claims promptly and fairly. And they shouldn't reject a claim unreasonably.

The policy terms and conditions say:

If you can't return home when you were due to, and need to stay abroad longer, we'll pay costs for additional travel and hotel expenses... these must be authorised in advance by Chubb Assistance.

There's no dispute an insured event took place. The issue is whether Chubb has reasonably declined the expenses relating to Mrs S' extended stay abroad.

I'm upholding Mrs S's complaint because:

- I think it was clear from the medical information and correspondence from Mrs S's family that she'd experienced a complex fracture and was expecting this to lead to an extended stay abroad. I think Chubb could have taken more proactive steps to discuss the situation with Mrs S or her family to explore what happened after she was discharged.
- A medical report was provided on 29 June 2024 but wasn't reviewed until 7 July. After the review the notes indicate that there was no activity by the assistance team until 17 July when the family called for an update. I think it would have been reasonable for Chubb to proactively manage the claim, for example by establishing the up-to-date medical position and developing a repatriation plan. I don't think it was reasonable to simply leave it up to Mrs S to contact them if her travel plans had changed. Understandably, in my view, she was focused on her recovery and continued to act on the advice of the treating team.
- A note about fitness to fly was obtained which Chubb didn't consider was sufficient although it explained Mrs S wasn't fit to fly and wouldn't be for a few weeks. If Chubb disputed this, I'd expect to see at least some rationale as to why their medical team didn't agree with the treating doctor. Chubb hasn't provided a detailed or persuasive rationale as to why they disagreed with this. Nor did they try and engage with the treating team directly to try and understand why they didn't think Mrs S could return home.
- In any event, if Chubb thought Mrs S could return home, I'd have expected them to take proactive steps to organise this, for example inviting Mrs S to attend to see a medical professional appointed by Chubb for a further fitness to fly review or asking for more information from the treating doctor. So, I don't think Chubb managed expectations as clearly as they should have done. Nor were they proactive about setting expectations and obtaining further medical information themselves. Whilst there were gaps in information being provided, I think Chubb had plenty of opportunity to proactively manage the claim themselves, but they failed to do so.
- Overall, I haven't found Chubb's arguments to be persuasive. They maintain that Mrs S could have returned home. But there's no substantive medical evidence to support that position. And, as I've outlined above, I think they could have been much more proactive at managing the claim. So, in the specific circumstances of this complaint, I don't think Mrs S acted unreasonably by staying abroad and adhering to the advice of her treating team. I appreciate that Mrs S was abroad for some time after the surgery, and possibly could have come home sooner, but I don't think Chubb has evidenced that's most likely to have been the case.
- I've thought about Chubb's comments that their position has been prejudiced by late notification. I'm not persuaded that's the case. The claim wasn't proactively managed and so I don't think Chubb's position is fair and reasonable in the circumstances. In reaching that conclusion I bear in mind Mrs S had experienced a fall and had surgery. So, I think the onus was on Chubb to manage the claim effectively and proactively.

Putting things right

Chubb needs to put things right by:

- Paying the rehabilitation costs plus 8% simple interest from the date the payments were made until the date of settlement. If Chubb considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mrs S how much it's taken off. It should also give them a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.
- Reassessing the claim for accommodation and flights in line with the remaining policy terms.

My final decision

I'm upholding this complaint and direct Chubb European Group SE to put things right in the way I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 15 August 2025.

Anna Wilshaw
Ombudsman