

The complaint

Mr T and Mr B are unhappy that Red Sands Insurance Company (Europe) Limited has asked for more medical information when assessing a claim made under their single trip travel insurance policy ('the policy'). They made a claim for a cancelled trip abroad because Mr T contracted Covid-19 and was advised not to travel by his GP.

Although the policy was taken out for the benefit of both Mr T and Mr B, I've referred to Mr T throughout as it was due to him being unwell that the trip was cancelled and he has been in contact with Red Sands about progressing the claim.

All reference to Red Sands includes its agents.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. I'll focus on giving the reasons for my 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.

Red Sands has a regulatory obligation to handle insurance claims fairly and promptly.

I know Mr T feels very strongly that Red Sands hasn't acted fairly and reasonably when requesting more medical evidence when assessing the cancellation claim made under the policy. I also know he'll be disappointed that for the reasons set out below, I'm satisfied Red Sands has acted fairly and reasonably by requesting this.

I've seen the medical declaration completed by Mr T's GP which confirms his diagnosis, that Mr T consulted with his GP before the intended date of travel and the reason why he wasn't fit to travel. However, there's a further section of the declaration that wasn't completed.

The GP was asked to provide details of prescribed medication, treatment, medical consultations attended, or investigations underwent by Mr T in the two years before the policy was issued. There are also some other questions around treatment for cardiovascular or circulatory conditions. These questions are in line with the questions on the medical declaration Mr T completed when applying for the policy, so I think they're relevant.

It's standard industry practice for travel insurers to ask for a completed medical declaration from the insured person's GP (or other relevant medical professional) before verifying a claim like the one made under the policy – including medical history.

The policy terms say:

If you need to claim:

...Our claims handlers will need to see:

Evidence to support the reason for your cancellation, including medical certificate in your claim form completed and stamped by the General Practitioner of the person(s) whose illness,,,has led to the cancellation...

The policy terms also say (under the heading: health/existing medical conditions):

This policy contains health restrictions that apply to the cover provided under the cancellation...section...

All existing medical conditions must be disclosed as well as any previous existing medical conditions that you have had that fall within [the questions asked when taking out the policy].

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...

I can see that Mr T did disclose several medical conditions when taking out the policy and answered questions about them. However, I'm satisfied that Red Sands has reasonably requested his medical history going back two years before applying for the policy to check that all medical conditions were accurately disclosed and questions answered correctly.

So, in principle, I think Red Sands has acted fairly and reasonably by concluding that it's unable to progress the claim until it's in receipt of the full medical information it's requested.

Red Sands has recently said that if Mr T's GP isn't happy to complete the medical history section of the declaration or attempts to charge him (again) for it to be fully completed, it would be happy to accept a "Patient Medical History" summary for the last two years instead. I think that's fair and reasonable.

The way the claim was handled

In its final response letter dated February 2025, Red Sands accepts there had been some mistakes in the handling of the claim. That includes failing to provide Mr T with several call backs, and it hadn't given Mr T a clear explanation regarding the information which was missing from the medical declaration. Red Sands has apologised for this.

However, I don't think an apology is sufficient to reflect the upset and confusion caused by Red Sands' errors in this case and the impact this had on Mr T. He was also put to the unnecessary trouble of having to chase Red Sands which again would've been frustrating.

I'm satisfied Red Sands should pay Mr T £100 compensation for distress and inconvenience. When deciding this point, I've taken into account Mr T's points including what he says about the time taken and the number of phone calls made.

Mr T also says that he's paid £40 for his GP to provide the (partially completed) medical declaration. However, as it's for him to establish the claim made under the policy, I don't think it would be fair and reasonable for me to direct Red Sands to meet this cost or reimburse it as compensation for the impact of its errors.

My final decision

I partially uphold this complaint and direct Red Sands Insurance Company (Europe) Limited to pay £100 compensation to Mr T for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T and Mr B to accept or reject my decision before 2 October 2025.

David Curtis-Johnson
Ombudsman