

The complaint

Mr L and Miss M have complained that Inter Partner Assistance SA declined a cancellation claim made under their travel insurance policy.

All references to IPA include its appointed agents.

What happened

The background to this complaint is well known to the parties so I won't repeat all the details here. In summary Mr L and Miss M bought a single trip travel insurance policy through an online website in December 2023. They were due to travel on 28 March 2024 but unfortunately on 26 March 2024 Miss M was diagnosed with a medical condition and they needed to cancel the holiday. They made a claim for the cancellation costs.

IPA declined the claim. It said that Miss M had suffered from numerous conditions in the two years before the policy was taken out and had been prescribed medication for her mood. It said that the policy didn't cover pre-existing medical conditions and had she declared them she wouldn't have been offered this particular policy. IPA cancelled the policy from the start and offered to refund the policy premiums. It also acknowledged service failures and offered £150 compensation.

Mr L and Miss M remained unhappy and referred the complaint here. Our investigator didn't recommend that it be upheld. They felt that a clear question had been asked and were satisfied that had it been answered correctly the policy wouldn't have been offered. They felt that the offer of compensation was fair.

Mr L and Miss M appealed.

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.

Although I've summarised the background to this complaint and some sensitive medical details - no discourtesy is intended by this. Instead, I've focused on what I find are the key issues. Our rules allow me to take this approach. It simply reflects the informal nature of our service as a free alternative to the courts.

The regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So I've considered, amongst other things, the relevant law, the policy terms and the available evidence, to decide whether I think IPA treated Mr L and Miss M fairly. Having done so, and although I recognise that they will be very disappointed by my decision, I agree with the conclusion reached by the investigator. I'll explain why.

The relevant law in this case is The Consumer Insurance (Disclosure and Representations) Act 2012 (CIDRA). This requires consumers to take reasonable care not to make a

misrepresentation when taking out a consumer insurance contract (a policy). The standard of care is that of a reasonable consumer.

And if a consumer fails to do this, the insurer has certain remedies provided the misrepresentation is - what CIDRA describes as - a qualifying misrepresentation. For it to be a qualifying misrepresentation the insurer has to 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 the 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.

Mr L and Miss M purchased their policy through an online site. They were asked:

Do any of the travellers have, or have any of the travellers had any pre-existing medical conditions or is anyone on a waiting list for treatment or investigation?

A pre-existing medical condition is a condition or injury that you've been diagnosed with and have had or are currently receiving treatment for examples include high blood pressure, diabetes, anxiety and broken bones. We'll ask for more details about them later.

You must let us know the medical history of everyone on this policy to make sure you've got the right cover for the trip.

It may not always cost more to cover your medical conditions. The insurer may not pay for any medical treatments you claim for or cost to get home, if it's something you did not tell us about.

Having answered 'no' to this question they were able to continue with the booking process.

They were then asked:

Within the last 2 years has anyone you wish to insure on this policy suffered any medical condition, (medical or psychological disease, sickness, condition, illness or injury) that has required prescribed medication (including repeat prescriptions) or treatment including surgery, tests or investigations?

Miss M answered 'no' to this question. But her medical records show that she had experienced health conditions and required medication within the two years prior to the policy purchase. These included a prescription of citalopram for low mood, skin lesion and poly of the colon. I don't find that it was unfair for IPA to conclude that she failed to take reasonable care when answering the question.

I haven't disregarded Mr L's submissions that the conditions not disclosed were all minor in their minds and they considered they didn't need to be disclosed – in particular constipation and menopause. I do understand this, but the questions were clear. Even disregarding constipation and menopause, other conditions weren't disclosed.

Likewise I note Mr L's point that they were not expecting previous issues to be covered and that those issues hadn't caused a problem on the many holidays Mr L and Miss M take each year. Mr L says they would never require anything more than a trip to the pharmacy.

IPA has shown this policy wouldn't have been offered had the questions been answered correctly. The policy Mr L and Miss M purchased was one where a health screening wasn't available. Rather the policy purchased would only be offered to people who had not suffered

a medical condition or required prescribed medication, surgery, treatment, tests or investigations within the two years leading up to the policy purchase date. In these circumstances I'm satisfied that the misrepresentation was qualifying under CIDRA. As it wouldn't have offered this policy, by cancelling it and offering a premium refund IPA has acted in accordance with CIDRA.

I do accept that there were delays in processing the claim and that this would have caused frustration and inconvenience. IPA has offered £150 in compensation, and I find that is fair in the circumstances.

Mr L has also raised concerns to this Service about sex discrimination and a data breach. And as our investigator pointed out this Service doesn't make findings of discrimination under the Equality Act 2010, that is a matter for the courts. We will look to see if in all the circumstances a consumer has been treated fairly and reasonably. As explained, I don't find that IPA treated Mr L and Miss M unfairly by declining the claim for the reasons given above.

With regard to the point raised about data, I do note Mr L's concern that Miss M's private health documents may have been passed to 'third parties'. However the proper body to consider data breaches is the Information Commissioner's Office (ICO) and so I make no finding as to whether breaches occurred or not.

For the avoidance of doubt, I would also say that this Service doesn't regulate IPA or any financial business. That is the function of the Financial Conduct Authority. Our statutory role is dispute resolution. I'm sorry that my decision will not bring Mr L and Miss M welcome news.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L and Miss M to accept or reject my decision before 22 August 2025.

Lindsey Woloski
Ombudsman