

The complaint

Mr and Mrs C are unhappy that U K Insurance Limited have declined a claim they made on their travel insurance policy.

What happened

Mr and Mrs C claimed on their travel insurance policy when Mrs C needed medical treatment abroad. UKI declined the claim as they said Mrs C hadn't fully disclosed her medical history and, had she done so, they would have applied an exclusion to the policy.

Mrs C complained to UKI but they maintained their decision to decline the claim was fair in the circumstances. Unhappy, Mrs C complained to the Financial Ombudsman Service.

Our investigator looked into what happened and didn't uphold the complaint. She thought UKI had fairly declined the claim. Mrs C didn't agree and asked an ombudsman to review her complaint. In summary, she felt UKI had changed the reasons for declining the claim and that she'd accurately disclosed her medical history. So, the complaint was referred 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.

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.

UKI thinks Mr and Mrs C failed to take reasonable care not to make a misrepresentation when she answered questions about her medical history. Mr C was asked:

Is anyone at the moment awaiting medical investigation, awaiting a diagnosis, receiving treatment or awaiting to receive any treatment?

In the last 12 months has anyone received any medical advice, treatment, or a prescription for medication from a doctor, whether taking it or not (and that would include if anyone's on repeat prescriptions?

UKI says Mr and Mrs C ought to have disclosed undiagnosed abdominal pain in response to the above questions. No conditions were disclosed for Mrs C.

Mrs C booked her trip in July 2023 and was due to travel on October 2023. The policy was purchased on 12 October 2023. In June 2023 and August 2023 she had appointments for abdominal pain and was referred to a specialist. Mrs C had a history of kidney stones and gall stones, although she says no treatment was planned. I appreciate that Mrs C had a CT scan and that no further action was planned in relation to the abdominal pain she was experiencing in June and August 2023. There is also a letter dated 9 October 2023 which says that Mrs C no longer wanted to be seen and would be removed from the surgery waiting list. But, overall, I'm persuaded that she ought to have disclosed the abdominal pain to UKI. Even if she didn't have any further appointments planned, they were asked about conditions she'd received advice about within the last 12 months. So, I think UKI reasonably concluded that Mr and Mrs C failed to take reasonable care when answering the questions

UKI has provided evidence that if Mrs C had disclosed the abdominal pain, they would have applied an exclusion to the policy as there was no diagnosis. As UKI would have offered the policy on different terms I'm satisfied the misrepresentation was a qualifying one.

UKI has treated the misrepresentation as careless. I think that's fair and reasonable. I don't think Mrs C deliberately misled UKI. I think it's more likely that she didn't appreciate the significance of her recent medical history when taking out the policy. As I'm satisfied that the misrepresentation should be treated as careless, I've looked at the actions UKI can take in accordance with CIDRA.

UKI would have excluded abdominal pain and so they can add this exclusion onto the policy from the point of misrepresentation and then assess any claim in line with this exclusion added.

I've considered what Mrs C has said about the claim whilst she was abroad being unrelated. But I don't think it was unreasonable for UKI to conclude that the exclusion applied. During the initial call to UKI it was described as severe pain on the right-hand side of Mrs C's back radiating around to the front. The medical information also refers to right flank pain. So, I'm not persuaded UKI acted unreasonably in the circumstances.

Taking all of the above into account I'm satisfied that UKI had acted reasonably, and in line with CIDRA, when adding the exclusion and declining the claim. In view of all of the above I think it is fair and reasonable for UKI to decline the claim.

My final decision

I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs C to accept or reject my decision before 19 August 2025.

Anna Wilshaw
Ombudsman