

The complaint

Mr H has complained that Inter Partner Assistance SA (IPA) declined a claim he made on an annual travel insurance policy and about the level of service he received.

What happened

Whilst on a trip abroad in December 2024, Mr H unfortunately became unwell and had to be hospitalised. He therefore made a claim on the policy for reimbursement of his medical costs.

IPA declined the claim on the basis that he hadn't declared some pre-existing medical conditions (PEMCs). It said that, had he done so, it wouldn't have agreed to provide this cover. Therefore, it cancelled the policy and offered a refund of premiums.

In response to the complaint, IPA maintained its decision to decline the claim. However, it offered £75 compensation for some poor service.

Our investigator thought that IPA had acted reasonably in declining the claim and that £75 was an appropriate amount of compensation for the distress and inconvenience caused by the poor service. Mr H disagrees and so the complaint has been passed to me for a 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.

The complaint involves the actions of the claim administrators, acting on behalf of IPA. To be clear, when referring to IPA in this decision I am also referring to any other entities acting on its behalf.

I've carefully considered the obligations placed on IPA by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for IPA to handle claims promptly and fairly, and to not unreasonably decline a claim.

The relevant law in this case is The Consumer Insurance (Disclosure and Representations) Act 2012 (CIDRA). CIDRA requires consumers to take reasonable care not to make a misrepresentation when taking out a consumer insurance contract.

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.

IPA has provided evidence of the renewal process and I'm satisfied that if an applicant had declared a PEMC, they wouldn't have been offered this particular policy.

Within the declaration section, Mr H would have been asked:

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

Mr H answered 'No' to this question.

Had he answered 'Yes', he would have been unable to complete the renewal and would instead have been signposted to alternative policies that do cover PEMCs.

Mr H's medical records show contact with his GP surgery in the two years prior to purchasing the policy, including referrals for further tests and treatment.

Mr H hadn't intended to mislead IPA. But he didn't take enough care to ensure he answered the declaration question correctly. As he didn't take reasonable care, this is a qualifying misrepresentation under CIDRA and so IPA is entitled to apply the relevant remedy available to it under the Act.

Mr H says the illness he suffered during the trip is unrelated to his PEMCs. However, the matter at hand is, what would IPA have done if he had correctly declared his PEMCs. CIDRA says that an insurer is entitled to apply cover as if it had all of the information it wanted to know at the outset. Based on the evidence provided by IPA, I'm satisfied that it would not have offered this policy if he had declared his PEMCs.

Therefore, as it wouldn't have offered cover, there would have been no policy to make a claim on. It follows that I consider it was reasonable for IPA to decline the claim and offer to refund the premiums.

Mr H says he doesn't necessarily dispute the claims outcome. However, he feels that he should receive a higher amount of compensation for the poor service he received, particularly as he had to pay about £2,300 for the hospital bills.

As already mentioned, I'm satisfied that it was reasonable for IPA to decline the claim. So, it doesn't need to reimburse any of the £2,300 for medical costs.

The amount of compensation that should be awarded is a separate issue and should be proportionate to the errors that occurred. As an informal dispute resolution service, our awards are lower than Mr H might expect, and likely less than a court might award.

It is the case that he was originally given incorrect information about which business entity to complain to. Based on the available information, that delayed things by a day. The most significant issue is that he was told during a phone call that he might be able to get up to 70% of the claim amount back as a result of complaining, which was a mistake. When an error happens, we wouldn't necessarily expect a business to honour that mistake. A relevant consideration is what would have happened had the mistake not occurred. In this case, if things had happened as they should have, Mr H would simply have been told that his complaint would be reviewed by the relevant team. Whilst Mr H undoubtedly suffered a loss of expectation as a result of the misinformation, on balance, I'm satisfied that £75 is a fair and reasonable level of compensation for the distress and inconvenience caused.

I, of course, have sympathy for Mr H's situation. He became unwell whilst abroad, which must have been a difficult and stressful experience, and he is out of pocket as a result. However, I'm unable to conclude that IPA has done anything wrong. It correctly declined the

claim, in line with the policy terms and conditions. And it offered appropriate compensation in response to his complaint. It follows that I do not uphold the complaint.

My final decision

For the reasons set out above, I do not uphold the complaint. However, Inter Partner Assistance SA should refund the premiums and pay the £75 compensation now if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 3 October 2025.

Carole Clark
Ombudsman