DRN-5645261

The complaint

Mr D complains about the additional premium charged by Admiral Insurance (Gibraltar) Limited for his annual multi-trip travel insurance policy after he contacted it to declare a change in his health.

What happened

In June 2024, Mr D took out an annual multi-trip policy with Admiral, declaring relevant medical conditions at the time. In September 2024, Mr D contacted Admiral to tell it about a procedure he had undertaken to help with his condition relating to neck and back pain. Admiral advised that an additional premium would need to be charged. The additional premium was £186.58.

Mr D was unhappy with the increase in premium and contacted Admiral. He wasn't satisfied with the responses provided and so he made a complaint.

Admiral responded to the complaint and advised that the policyholder's medical history forms a vital part of the rating structure when calculating premiums. And that the policy states that an additional premium may be due if there is a change in health declared. It did note that it should have explained this better to Mr D when he made contact and offered £50 compensation for the poor service.

Mr D remained dissatisfied with this response and brought his complaint to this service. Our investigator looked into the matter and didn't uphold the complaint. He found that the policy terms clearly set out that Admiral may charge an additional premium if a change in health is declared. He also said that information from Admiral showed that he hadn't been treated any differently than any other customer in similar circumstances. And in relation to the lack of information provided to Mr D relating to the reason for the additional charge, our investigator noted that there had been failings in the service but that he felt the £50 compensation offered by Admiral was fair.

Mr D disagreed with the investigator's opinion. He said that the procedure was to alleviate the symptoms of his condition, making it less likely for him to claim. And therefore, he didn't see why his premium should increase. And he didn't think he had been treated the same as any other customer due to Admiral already admitting that there had been failings in how the policy was administered. As no agreement could be reached the matter has been passed 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 key issue I need to decide is whether Admiral applied the additional premium to Mr D's policy in line with the policy terms and conditions and whether this has been applied fairly.

When looking at complaints about the premium charged for an insurance policy, it isn't the role of this service to tell an insurer what it can or can't charge. This is considered a commercial decision which insurers are entitled to make. But we can consider if we think a consumer has been treated fairly, or if we think they've been treated differently or less favourably than another consumer.

Insurers sometimes change their terms of insurance partway through the policy term. This usually occurs after the customer lets them know about a change in circumstances. An insurer's right to alter the terms of the policy is normally found within the policy.

The policy terms and conditions

Within the policy wording, under the section titled "Medical requirements", it states the following:

> *"New medical conditions or changes to your health*
>
> *After you have paid for your policy, you must tell us immediately if there is a change in your health (such as you getting medical advice for new symptoms, being diagnosed with a new medical condition, your prescribed medication changing, being prescribed new medication, being admitted to hospital, or being referred for tests, investigations or treatment), whether or not you have any trips booked.*
>
> *What happens when you declare a new medical condition or health change*
>
> *We may cancel the policy or change the terms of your cover. A change could mean that:*
> - *you have to pay an additional premium;*
> - *we suspend cover; or*
> - *we apply an exclusion to the policy."*

I'm also aware that the insurance schedule includes similar wording advising that changes in health need to be declared.

Did Admiral act fairly when charging an additional premium?

Based on the policy wording stated above and the information from the insurance schedule, I'm satisfied that Admiral made it clear that any changes in health during the period of cover would need to be declared. Mr D had a medical procedure for one of his existing conditions and therefore I'm persuaded that this would be considered a change in health. And I'm satisfied that the terms allow Admiral to apply an additional premium to Mr D's policy.

I've gone on to consider whether the additional premium has been applied fairly. Admiral has provided confidential information to this service to show how it calculated Mr D's premiums. The data provided is business and commercially sensitive as it includes details that could show how Admiral competes with other insurers in the market. This means I can't share this information. But based on what I've seen I'm persuaded that the way Admiral has calculated this increase in premium is fair.

Mr D has provided information about the procedure he had and how this was to improve his medical condition – so he thinks this makes him less of a risk to an insurer. I can appreciate why he feels that way but ultimately it is for Admiral to decide on the rating structure it uses when determining the risk.

Admiral has shown that the increase in premium was due to a change in the rating of the risk following the declaration of Mr D's change in health. I've not seen any evidence to suggest that Mr D has been treated differently to any other Admiral customer if they presented with similar circumstances. Therefore, I can't see that the additional premium has been applied incorrectly or unfairly.

Service issues

I'm aware that Mr D has complained about the customer service he received following his change in health declaration. He said that the agent didn't explain why the increase in premium was necessary and that calls were promised which didn't happen. I can appreciate how frustrating this must have been for Mr D when he was trying to ensure that he was being charged correctly. Admiral has recognised that there were failings with the customer service, apologised for this and paid £50 to Mr D in compensation. I'm satisfied that Admiral's response to the service Mr D received, and the compensation paid is reasonable for what happened.

Conclusion

Taking everything into account, I'm satisfied that Admiral hasn't treated Mr D unfairly by charging an additional premium when he declared the changes in his health. And I'm not persuaded that any further compensation is due for the customer service issues raised. It therefore follows that I don't require Admiral to do anything more.

My final decision

I'm sorry to disappoint Mr D but for the reasons explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 10 September 2025.

Jenny Giles
Ombudsman