

The complaint

Mr and Mrs H complain about how Inter Partner Assistance SA (“IPA”) handled a claim under their travel insurance policy, and the information it gave them.

What happened

Mr and Mrs H are covered by a travel insurance policy provided by IPA. They had a trip booked abroad, which included a cruise, with family members.

Unfortunately, on the outward flight one of the family members had a medical emergency, which led to the flight being diverted. Mr and Mrs H called IPA and asked if their policy provided cover in the circumstances, but they say IPA said it didn’t.

Mr and Mrs H stayed at a hotel and reluctantly booked another flight to join the pre-booked cruise. However, they later discovered that the policy did, in fact, provide cover due to a close relative’s illness. Mr and Mrs H say that had they known that, they wouldn’t have continued the trip.

IPA paid Mr and Mrs H’s claim for the additional expenses they incurred. But they don’t think this goes far enough due to the incorrect information they were given. Mr and Mrs H are also unhappy with how IPA handled the claim, including incorrectly declining it first, and then failing to reopen the claim as promised. They think IPA should refund them the cost of the cruise as a resolution to the complaint.

One of our investigators reviewed the complaint. Having done so, he didn’t think IPA needed to make any further payments in relation to Mr and Mrs H’s claim. It had paid all the additional costs they had claimed for. And as Mr and Mrs H went on the cruise, the investigator didn’t think this is something IPA needed to refund. However, the investigator recommended that IPA should increase its offer of compensation for the distress and inconvenience caused from £75 to £200.

Mr and Mrs H didn’t agree with the investigator’s findings. As no agreement was reached, the complaint 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.

Industry rules set out by the regulator (the Financial Conduct Authority) say insurers must handle claims fairly and shouldn’t unreasonably reject a claim. I’ve taken these rules, and other industry guidance, into account when deciding what I think is fair and reasonable in the circumstances of Mr and Mrs H’s complaint.

IPA hasn't been able to send copies of the relevant calls. However, I think it's important to note that I don't think IPA would have been able to confirm on 5 September 2024 if Mr and Mrs H's claim would be covered. It would be unusual for an insurer to confirm if a claim due to an illness is covered before a claim is made, as insurers usually need to request medical information to assess the claim. The policy doesn't cover claims arising from pre-existing medical conditions, or claims arising directly or indirectly from circumstances known to Mr and Mrs H prior to booking the trip.

Overall, I think it's more likely than not that even if IPA had done everything right, it wouldn't have been able to confirm whether Mr and Mrs H's circumstances were covered. This means that they would have still been left to decide whether to continue the trip without knowing if any claim would be covered.

But it's clear that IPA hasn't handled everything as well as it should have done. In addition to giving incorrect information about there being no cover in Mr and Mrs H's circumstances, IPA also first incorrectly declined the claim they made online, and then it failed to reopen it as promised. This led to an unnecessary delay in considering Mr and Mrs H's claim, as well as unnecessary inconvenience for them. Overall, I think IPA should pay them a total of £200 for the unnecessary distress and inconvenience caused.

For completeness, as Mr and Mrs H did continue the trip, and IPA has paid for all the additional costs they incurred, I don't think there's anything else it needs to pay under Mr and Mrs H's claim. I don't think it would be fair or reasonable for me to ask IPA to refund Mr and Mrs H the cost of the cruise they went on due to the incorrect information they were given over the phone, for the reasons I've explained in this decision.

My final decision

My final decision is that I uphold Mr and Mrs H's complaint in part and direct Inter Partner Assistance SA to pay Mr and Mrs H £200 for the distress and inconvenience caused.

IPA must pay the compensation within 28 days of the date on which we tell it Mr and Mrs H accept my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% simple per annum.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr H to accept or reject my decision before 9 October 2025.

Renja Anderson
Ombudsman