

The complaint

Mr C and Mrs P have complained that Inter Partner Assistance SA (IPA) declined a claim they made on a travel insurance policy.

As it is Mrs P leading on the complaint, for ease, I will mostly just be referring to her in this decision.

What happened

The single-trip policy was taken out online on 16 May 2024.

Whilst on their trip abroad in June 2024, Mrs P unfortunately became unwell and had to be hospitalised. She therefore made a claim on the policy.

IPA declined the claim on the basis that Mrs P hadn't declared some pre-existing medical conditions (PEMCs). It said that, had she done so, it wouldn't have agreed to provide this cover. However, it offered to refund the premium that had been paid.

I wrote a provisional decision recently in which I explained why I wasn't thinking of upholding the complaint and inviting the parties to comment further if they wished. Both IPA and Mrs P accepted the findings of my provisional 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.

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.

As explained in my provisional decision, 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.

In response to my provisional decision, Mrs P has reiterated that the condition that caused her to be hospitalised abroad was not a pre-existing condition. I had understood and addressed that in my provisional decision. However, that isn't the most relevant issue here. As previously explained, the matter at hand is what would have happened had she accurately declared her PEMCs at the time of purchasing the policy.

As set out in my provisional decision, Mrs P's medical records show that she had regular contact with her GP surgery in the two years prior to buying the policy and that she'd received regular treatment and medication during that time. She should therefore have answered 'Yes' to the questions she was asked during the application process about whether or not she had PEMCs, however, she answered 'No'. The underwriting evidence shows that she would not have been able to purchase this particular policy if she had answered the questions correctly. Instead, she would have been directed to quotes for alternative policies that did provide cover for people with PEMCs.

Mrs P didn't take sufficient care when applying for the policy. As she 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.

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 underwriting evidence provided by IPA, I remain satisfied that it would not have offered the policy if Mrs P had declared her PEMCs. Therefore, as it wouldn't have offered cover, there would have been no policy to make a claim on.

As neither party made any further substantive points, I see no reason to depart from the outcome I reached in my provisional decision. It follows that I consider it was reasonable for IPA to decline the claim and offer to refund the premiums.

My final decision

For the reasons set out above, my final decision is that I do not uphold the complaint. However, Inter Partner Assistance SA should refund the policy premium now if it hasn't already done so.

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

Carole Clark
Ombudsman