

The complaint

Mrs H complains that Admiral Insurance (Gibraltar) Limited hasn't fully settled a medical expenses claim she made on a travel insurance policy.

Mrs H is represented by Ms M. But for ease of reading, I'll refer only to Mrs H.

What happened

In March 2024, Mrs H took out an annual travel insurance policy through a price comparison website, which was underwritten by Admiral. During the sales process, Mrs H told Admiral that she suffered from Chronic Obstructive Pulmonary Disease (COPD), which it agreed to cover.

Unfortunately, while Mrs H was on holiday, she became unwell and needed medical treatment. So, she made a claim on the policy for the medical expenses she'd incurred.

Admiral obtained medical evidence to allow it to assess Mrs H's claim. It noted from Mrs H's medical records that she'd had diuretic treatment for swollen legs; that she'd suffered from atypical chest pain; back and nerve pain and impaired contractility. It concluded that Mrs H should have told it about all of these conditions when she took out the policy. And it said that if she'd done so, it would have charged her significantly more for the contract. It worked out that Mrs H had paid 58.17% of the premium it would have charged her had it known about all of her medical conditions. Therefore, it concluded that Mrs H had made a qualifying, careless misrepresentation under the relevant law and it reduced the settlement it was prepared to pay by 42.82%.

Mrs H was very unhappy with Admiral's decision, and she asked us to look into her complaint. In brief, she said she hadn't had a problem with her heart and she'd only experienced swollen ankles once. She told us she thought her chest pain had been caused by COPD.

Our investigator thought Mrs H's complaint should be upheld. He noted that the first question Mrs H had been asked about her health only referred to conditions she'd been diagnosed with. And he felt the medical evidence indicated that she'd only been diagnosed with COPD. He thought it'd been reasonable for Mrs H to have considered the other medical problems noted in her medical records to be symptoms rather than diagnosed conditions she needed to disclose to Admiral.

On that basis, the investigator didn't think Mrs H had made a misrepresentation under the law and he recommended that Admiral should settle the remainder of Mrs H's claim.

Admiral disagreed and so the complaint was passed to me to decide.

I issued a provisional decision on 5 August 2025, which explained the reasons why I didn't think Admiral had treated Mrs H unfairly. I said:

'The relevant regulator's rules say that insurers must handle claims promptly and fairly. And

that they mustn't turn down claims unreasonably. I've taken those rules into account, amongst other relevant considerations, such as regulatory principles, the law, and the available evidence, to decide whether I think Admiral treated Mrs H fairly.

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. 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.

When Mrs H applied for the policy online through a price comparison website, she was asked questions about herself and her health. Admiral used this information to decide whether or not to insure Mrs H and if so, on what terms. Admiral says that Mrs H didn't correctly answer the questions she was asked at application. This means the principles set out in CIDRA are relevant. So, I think it's fair and reasonable to apply these principles to the circumstances of Mrs H's claim.

Admiral thinks Mrs H failed to take reasonable care not to make a misrepresentation when she applied for and took out the policy. So, I've carefully considered whether I think this was a fair conclusion for Admiral to reach.

First, when considering whether a consumer has taken reasonable care, I need to consider whether the questions they were asked during the sales process were clear. Admiral has provided me with a copy of the online questions that were asked during the sales process.

The price comparison website asked:

'Do any of the travellers had, or have any of the travellers had any pre-existing medical conditions or is anyone on a waiting list for treatment or investigations?'

A pre-existing medical condition is a condition or injury that you've been diagnosed with and have had or are currently receiving treatment for. Examples include high blood pressure, diabetes, anxiety and broken bones. We'll ask for more details about them later.'

Mrs H answered 'yes' to this question and told Admiral about her COPD. She answered more questions about that condition and the treatment she received for it.

However, this wasn't the only question that was asked about Mrs H's health when the policy was purchased. From the sales screenshots I've seen, the questions below were listed in a section called 'Important Information' which was underneath the question I've referred to above:

- 'Have you or anyone in your party been prescribed medication, received treatment or had a consultation with a doctor or hospital specialist for any medical condition in the last two years?'*
- 'Have you or anyone in your party ever been diagnosed with or treated for the*

following:

- Any heart or respiratory condition?
- Any circulatory condition...?’

I appreciate the definition of a pre-existing medical condition specifically refers to conditions or injuries a consumer has been diagnosed with. But I think the ‘Important Information’ set out below during the sales process explains that Admiral also wants to know if a consumer has been prescribed medication, received treatment or consulted with a doctor for any medical condition in the previous two years. I’m satisfied the overall sales journey was clear.

As I’ve set out above, Mrs H told Admiral about her COPD diagnosis. But Admiral believes Mrs H failed to tell it about swollen legs, atypical chest pain, impaired contractility and back and nerve pain. It’s on that basis it believes that she’s made a misrepresentation. So I’ve looked carefully at the available medical evidence to decide whether I think this was a fair conclusion for Admiral to reach.

Mrs H’s medical records show that in January 2024 – around two months before she took out the policy, she had a GP consultation because she had swollen legs. The GP prescribed a medication which can be used to treat build-up of fluid in the body, amongst other things.

In October 2023, Mrs H had a telephone consultation with her GP due to neck and shoulder pain. She was prescribed a medication which can be used to treat nerve pain (as well as lifting mood), and prescription-strength pain relief.

Mrs H’s medical certificate states that in the last two years, she’d attended physiotherapy for back and leg pain. And that in July 2023, she’d been admitted with chest and back pain and had been diagnosed with MSK (musculo-skeletal) pain.

In my view, the medical evidence makes it clear that in the two years before the policy was taken out, Mrs H had had consultations with both her GP and at a hospital for medical conditions she hadn’t told Admiral about. It’s clear she was prescribed medication for those conditions and had undergone treatment for them. I don’t agree that the questions were only asking about diagnosed conditions – Mrs H was asked about anything she’d seen a doctor for, received treatment for or was prescribed medication for in the previous two years.

I appreciate Mrs H says she believed her symptoms were linked to her existing COPD. But, in the specific circumstances of this complaint, given the ‘Important Information’ set out in the sales process, I think Mrs H ought to have reasonably been prompted to tell Admiral about those conditions and the treatment she’d received. And therefore, I don’t currently think it was unreasonable for Admiral to conclude that Mrs H had made a misrepresentation when she took out the policy.

Next, I’ve gone on to consider whether I think Admiral has demonstrated that Mrs H made a qualifying misrepresentation under CIDRA. Admiral has provided us with business-sensitive, confidential underwriting evidence which shows that had it known about Mrs H’s medical history, it would have charged her more for the cover than she paid. This means it would have offered cover on different terms. So I’m satisfied it’s shown that Mrs H did make a qualifying misrepresentation under CIDRA. And therefore, I think it’s entitled to rely on the remedy available to it under the Act.

Admiral has treated Mrs H’s misrepresentation as careless. I think that was a fair response from Admiral because I don’t think she deliberately misled it about her health. CIDRA says that in cases of careless misrepresentation, an insurer may rewrite the policy as if it had all

of the information it wanted to know at the outset. And, if it would have offered cover, but at a higher price, then it may settle the claim proportionately.

In this case, Admiral has shown that it's settled Mrs H's claim proportionately, based on the premium it would have charged her for cover and the premium she did pay. So I think it's settled her claim in line with CIDRA and as such, I think it's settled the claim fairly.

Overall, whilst I'm sorry to disappoint Mrs H, I currently think Admiral acted fairly when it concluded that she made a qualifying misrepresentation under CIDRA. And therefore, I currently think it's settled her claim fairly and reasonably. So I don't plan to tell Admiral to pay Mrs H anything more.'

I asked both parties to send me any further evidence or comments by 19 August 2025.

Admiral didn't respond by the deadline I gave.

Ms M let us know that Mrs H disagreed with my provisional findings. In brief, she said that her claim hadn't been linked to the conditions she hadn't told Admiral about. And she also said that the family had suffered the loss of a very close relative shortly before booking the trip. Ms M indicated that she planned to send us more information by the deadline I gave, but didn't send in anything more.

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.

Having done so, whilst I'm very sorry to disappoint Mrs H, I still think Admiral settled her claim fairly and for the same reasons I gave in my provisional decision.

I'd like to offer Mrs H and Ms M my sincere condolences for the bereavement they suffered shortly before booking their trip. It's clear what an upsetting time this was for them.

It's also important I make it clear that CIDRA applies even if the illness or injury causing a claim isn't linked to any misrepresented conditions. So even though I appreciate Mrs H feels her claim was nothing to do with the conditions she didn't declare to Admiral, I'm still satisfied that it was fair and reasonable for it to apply CIDRA to the circumstances of her claim.

In the round, I still think that the overall sales process Mrs H followed when she took out the policy was sufficiently clear. And I think the totality of the questions she was asked ought to have promoted her to tell Admiral about the conditions she'd consulted for, had been prescribed medication for and had been treated for in the two years before taking out the contract. I think that based on the medical evidence, it was fair for Admiral to conclude that Mrs H had made a careless misrepresentation when she applied for the policy. And I'm satisfied it's provided evidence to show that if it had known about Mrs H's full medical history during the preceding two-year period, it would have charged her significantly more for the policy.

So overall, despite my natural sympathy with Mrs H's position, I've decided Admiral didn't act unfairly or unreasonably when it settled her claim proportionately – in line with the remedy available to it under CIDRA. And this means I'm not directing Admiral to pay Mrs H anything more.

My final decision

For the reasons I've given above and in my provisional decision, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 18 September 2025.

Lisa Barham
Ombudsman