

The complaint

Mr R1, Mr R2 and Mrs R complain because Red Sands Insurance Company (Europe) Limited declined claims for emergency medical expenses and curtailment under their travel insurance policy.

All references to Red Sands include the agents appointed to administer claims and complaints on its behalf.

What happened

Mr R1, Mr R2 and Mrs R were insured under a travel insurance policy provided by Red Sands. Mr R1 had a pre-existing medical condition which was declared and accepted under the policy.

Unfortunately, Mr R1 fell ill while on holiday abroad and was taken to a public hospital. Mr R2 notified Red Sands about the claim. The public hospital (or, indeed, the island which Mr R1 was on) didn't have the facilities to treat him. So, Red Sands agreed that Mr R1 should be evacuated to the mainland by air ambulance. While this was being arranged, Mr R1 had a scan at a private facility and, the following day, he and Mr R2 returned to the UK on flights booked by Mr R2. Mrs R and her other child returned to the UK the day after this, due to a deterioration in Mr R1's medical condition.

Mr R1 subsequently made claims with Red Sands for his emergency medical expenses and the cost of curtailing the holiday. Red Sands said the curtailment claim wasn't covered because it hadn't authorised for Mr R1 to return home early, it had no medical evidence to support the curtailment, and its medical team had advised it was unsafe for Mr R1 to fly when he did. Red Sands didn't address Mr R1's emergency medical expenses claim.

Unhappy, Mr R1, Mr R2 and Mrs R brought their complaint to the attention of our Service. One of our Investigators looked into what had happened and said he didn't think Red Sands had acted fairly or reasonably in the circumstances. He recommended that Red Sands should settle Mr R1's emergency medical expenses and curtailment claims together with interest.

Red Sands didn't agree with our Investigator's opinion and said it would only cover the emergency medical expenses claim up to a particular date, subject to the provision of a completed medical certificate from Mr R1's GP detailing his past medical history.

As no resolution was reached, the complaint has now been referred to me to make a decision as the final stage in our process.

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.

This complaint is about Red Sands' decision to decline Mr R1's claims as addressed in its

final response of May 2025. So, my final decision relates only to those issues. Red Sands issued a different final response to Mr R1 about the emergency medical assistance it provided while he was abroad. This would need to be the subject of a separate complaint.

Industry rules set out by the regulator say insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules, as well as other relevant considerations such as Consumer Duty principles, into account when making this final decision.

I'm not a medical expert so it's not for me to reach my own conclusions about what I think was the most appropriate course of action for Mr R1 medically. My role is to decide whether I think Red Sands acted fairly and reasonably in the circumstances based on the available medical evidence. My decision is based on the balance of probabilities – that means what I think is more likely than not to have happened in the circumstances.

The terms and conditions of this policy, like most if not all travel insurance policies on the market, say the ultimate decision about hospital transfers and repatriation lies with Red Sands' medical team. When making such decisions, I'd expect Red Sands to take into account all the available medical evidence, including the opinions of the policyholder's treating doctors.

The policy terms say, if a policyholder doesn't follow the instructions or the advice and recommendations of Red Sands' emergency medical assistance team, claims may be rejected. For curtailment claims, the policy requires the policyholder to provide evidence to support the reason for curtailment and for the policyholder to have contacted the emergency medical assistance team before making any arrangements to return home. I'm not obliged to apply a strict interpretation of the policy terms and conditions if I don't think this leads to a fair and reasonable outcome in the circumstances of a particular case.

I can understand why a travel insurer might not wish to pay a claim in circumstances where a policyholder has chosen to disregard clear medical advice because they don't want to stay and have treatment in the country they are in. And I wouldn't generally expect a travel insurer to pay a claim in such circumstances. But I don't think that's what happened here, and I think there's available medical evidence about Mr R1's medical condition which Red Sands hasn't given sufficient persuasive weight to when considering these claims.

It's not in dispute that the initial medical advice from the public hospital was for Mr R1 to be transferred by air ambulance to the mainland. There was some initial confusion about whether this would need to be arranged privately or whether it would be done under the public system in the country Mr R1 was in, but the transfer was expected to go ahead the following day after the public hospital had reviewed the results of the private scan which I've mentioned below. Red Sands' medical team gave Mr R2 very clear medical advice that it didn't think Mr R1 should be travelling commercially for at least 48 hours.

However, I think this medical advice was superseded by the results of a private scan and later medical advice which Mr R1 received that evening from a private facility. That medical evidence says Mr R1 was '*advised to visit a specialist vascular surgeon in his country*' and that Mr R1 was fit to fly.

Red Sands has said the medical evidence from the private facility doesn't specifically say it was medically necessary for Mr R1 to curtail his trip. I don't necessarily think it needed to and, in any event, Mr R1 has also provided evidence from a retired vascular surgeon stating he gave the following contemporaneous advice to Mr R1's family:

'The only intervention had to be with a vascular interventional radiologist, with the back up [sic] a complete vascular team. This intervention is potentially incredibly

difficult and well beyond anything available on the island. ... The only safe option was to get back to the UK as soon as possible and this was my advice.'

I don't think the fact that the fit to fly confirmation, which is dated the day the private medical advice was given, was provided to Red Sands retrospectively means it carries less persuasive weight. I also don't think the fact that Red Sands views the fit to fly confirmation as 'generic' means it's not persuasive evidence either. In my experience of dealing with complaints of this type, it's not unusual for fit to fly confirmations to be written in such terms. I appreciate Red Sands says there is no written confirmation that Mr R1 no longer required hospital treatment, but I think it's unlikely a fit to fly confirmation would have been issued if Mr R1 did require an ongoing hospital stay and the medical evidence from the private facility makes no mention of any further investigations or treatment being required abroad.

Red Sands has said Mr R2 provided contradictory information about when a fit to fly certificate would be available but I think fair consideration must also be given to the fast-paced nature of how this situation was unfolding, the timeline of events and Mr R2's subsequent comments in a later telephone call that a fit to fly certificate was in the process of being sent.

Overall, I'm satisfied based on an independent and impartial review of the circumstances here, that the totality of the medical evidence suggests it was likely that Mr R1 was fit to fly, that it was medically necessary for him to return to the UK and that he didn't discharge himself from the public hospital against medical advice.

While I accept Red Sands' emergency medical assistance team didn't confirm Mr R1 needed to return home early, industry rules say it's unreasonable for an insurer to reject a claim for breach of a policy condition unless the circumstances of the claim are connected to the breach, which I don't think they are in this case. In any event, I don't think it's fair or reasonable for Red Sands to decline this curtailment claim in circumstances where I'm satisfied the medical evidence supports Mr R1's decision to return to the UK.

This means I don't think Red Sands acted fairly and reasonably by turning down Mr R1's curtailment claim, so I think it should now pay this subject to the remaining terms and conditions of the policy.

Turning to Mr R1's claim for his emergency medical expenses, I'm satisfied it would be fair and reasonable in the circumstances for Red Sands to now pay this claim too. It's not in dispute that the public hospital didn't have the facilities to scan Mr R1, the treating doctor at the public hospital seems to have agreed the scan was necessary and Red Sands said, at the time, that the results of the scan would be useful. Based on the individual circumstances of this specific case, I don't think it's fair or reasonable for Red Sands to require a completed medical certificate from Mr R1's GP before accepting the claim. Red Sands had signed consent forms from Mr R1 for the release of his medical information and led him to believe it would be requesting this information at the time of the claim. The available medical evidence shows its likely this claim was related to Mr R1's pre-existing medical condition, which was declared to Red Sands and Red Sands agreed to provide cover for it. And, Red Sands has been provided with a letter from Mr R1's consultant dated October 2024 which says Mr R1's previous scan history was normal.

I'm satisfied Red Sands already had all the medical information it needed to pay these claims on 21 November 2024, so it's appropriate for me to award interest on the payment of both claim settlements at our usual rate from that date.

If there is any dispute about the amount of the claim settlements due and/or about whether any claim settlement is due to Mrs R for her and her other child's curtailment of the trip the

following day, then this would need to be the subject of a new complaint to Red Sands in the first instance before our Service would have the power to consider it.

Putting things right

Red Sands Insurance Company (Europe) Limited needs to put things right and do the following:

- pay Mr R1's emergency medical expenses and curtailment claims in line with the remaining terms and conditions of the policy;
- add interest to the claim settlements at 8% simple per annum from 21 November 2024 to the date the settlements are paid¹.

My final decision

I'm upholding this complaint, and I direct Red Sands Insurance Company (Europe) Limited to put things right in the way I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R1, Mr R2 and Mrs R to accept or reject my decision before 29 December 2025.

Leah Nagle
Ombudsman

¹ If Red Sands Insurance Company (Europe) Limited considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr R1 how much it has taken off. It should also give Mr R1 a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.