

## **The complaint**

Mr C and Ms T are unhappy that Red Sands Insurance Company (Europe) Limited (RSI) partially settled a claim they made on their travel insurance policy.

## **What happened**

Mr C and Ms T claimed on their travel insurance policy when Ms T became unwell whilst abroad. RSI accepted the claim but proportionately settled it because they said Ms T hadn't fully disclosed her medical history.

Ms T complained to RSI but they maintained their decision was fair. They identified a minor delay in settling the claim and apologised for that. Unhappy, Ms T complained to the Financial Ombudsman Service.

Our investigator looked into what happened and didn't uphold the complaint. She thought that RSI had acted fairly when proportionately settling the claim and that they'd settled the expenses covered by the policy.

Ms T didn't agree and asked an ombudsman to review her complaint. In summary she said that she couldn't be expected to recall the detail of illnesses and visits to the doctor. She said she was mystified as to why her husband's medication costs weren't covered (as their stay was extended) and that this was unfairly hidden in the small print. So, the complaint was passed to me to make a 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.

The relevant rules and industry guidelines say that RSI has a responsibility to handle claims promptly and fairly. And they shouldn't reject a claim unreasonably.

The relevant law in this case is The Consumer Insurance (Disclosure and Representations) Act 2012 (CIDRA). This requires consumers to take reasonable care not to make a misrepresentation when taking out a consumer insurance contract (a policy). 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.

RSI says Ms T failed to take reasonable care when answering questions about her medical history. During the application process she was asked:

Have you, or anyone to be named on the policy, ever been diagnosed with or treated for any cancerous, respiratory, heart or circulatory conditions (problems with blood flow, including strokes, high blood pressure and cholesterol)?

Within the last 2 years, have you or anyone to be named on the policy been prescribed medication or received treatment or attended a medical practitioners surgery?

RSI says Ms T ought to have disclosed a prescription linked to osteoporosis and a left bundle branch block. This would have prompted a series of further questions to be asked in relation to each condition.

I think Ms T ought to have disclosed her prescription related to osteoporosis. The information from her GP says that in 2006 she was considered to be at risk of osteoporosis and that her current treatment or prescriptions included a calcium and vitamin supplement. Ms T says that she has never been given this diagnosis and that she was given the prescription due to chest infections. That's not consistent with the information provided by the GP so I don't think RSI acted unreasonably when saying Ms T ought to have disclosed this in response to the question asked, based on the information the GP provided. If Ms T feels that's not an accurate reflection of her medical history, then that's something she'll need to address with her medical practice. RSI is entitled to reasonably rely on the information provided by the GP.

Ms T says that the left bundle branch block was found on a regular ECG and required no treatment because it was so minor. But the question asked is about whether she had ever been diagnosed with any heart or circulatory conditions. So, I think she ought reasonably to have disclosed it.

RSI had provided underwriting evidence which shows that if Ms T had disclosed the conditions they would have offered her cover but charged a higher premium. This means I'm satisfied that Ms T's misrepresentation was a qualifying one.

RSI has treated the misrepresentation as a careless misrepresentation. I agree that's it was careless as I don't think Ms T intended to mislead RSI. I think it's more likely it was an oversight on her part. As I'm satisfied that Ms T's misrepresentation should be treated as careless, I've looked at the actions RSI can take in accordance with CIDRA. In such circumstances RSI is entitled to proportionately settle the claim. That's what RSI has done and so I think they've applied the relevant remedy to Ms T's claim. Taking all of the above into account I think RSI has acted fairly and reasonably when proportionately settling the claim.

I'm satisfied that RSI have settled the claim fairly and in line with the policy terms. I appreciate that Ms T feels that Mr C's medication expenses should be covered by the policy. However, there isn't cover for this under the policy as only additional travel, accommodation and repatriation costs of an additional person is covered. Travel insurance policies don't cover every eventuality and unfortunately there is no cover for Mr C's medication in the circumstances. So, whilst I appreciate this was a significant expense for Ms T and Mr C, it's not something that's covered under the policy.

Finally, Ms T is also unhappy that there were delays in handling the claim. I've not identified any significant or unreasonable delays in settling the claim. RSI identified that there was a delay of around 11 days but I think an apology is sufficient to put things right and fairly reflects any impact on Ms T and Mr C.

**My final decision**

I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Ms T to accept or reject my decision before 2 December 2025.

Anna Wilshaw  
**Ombudsman**