DRN-5938392

The complaint

Mr B and Mr P have complained that American International Group UK Limited ('AIG') unfairly declined Mr B's claim.

What happened

Mr P has a travel insurance policy, underwritten by AIG, as part of his bank account. The policy also covers Mr P's partner, Mr B.

Mr B was abroad when unfortunately, he became unwell and needed emergency medical treatment. AIG was informed about the claim and requested Mr B's medical history.

It found that Mr B had been treated for a pre-existing medical condition which hadn't been declared or accepted for cover by AIG. AIG declined the claim and has explained that if it had known about Mr B's condition, it wouldn't have provided cover.

Mr P complained and unhappy with AIG's response, referred his complaint to the Financial Ombudsman Service.

Our investigator looked into the complaint but didn't think AIG had done anything wrong. Mr P disagreed and asked for an Ombudsman's decision.

And so the case has been passed to me for a final 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.

Having done so, I don't think this complaint should be upheld. I'll explain why.

- The relevant rules and industry guidelines say an insurer should handle claims promptly and fairly. And shouldn't unreasonably reject a claim.
- The background to this matter is well known to both parties. So I won't repeat the facts here again. Instead I will focus on what I consider to be key to my conclusions.
- I will start with the policy terms and conditions which make up the contract of insurance between AIG and Mr P. The investigator has set out the full terms already.
- In summary, the policy terms say pre-existing medical conditions may be covered at no extra charge or in some cases, AIG won't be able to provide cover or there may be an extra charge. The policy says if any of the health questions are answered as a 'yes' Mr P would need to call AIG before the trip and if he didn't, claims for any of the medical conditions wouldn't be covered.
- Mr P has said that he called AIG and was asked to send a letter in about Mr B's

condition. I have seen no evidence that Mr P was told this and AIG says it would never give this advice as all medical screenings need to be done over the telephone. This is in line with its policy terms and conditions and so I accept what it says about this point. I have also listened to other calls from the summer of 2024 in which Mr P was reminded by AIG that his medical declaration needed to be updated. And so if he had written a letter about Mr B's condition in March 2024, I would have expected him to have mentioned it during those calls.

- Mr P says he declared Mr B's pre-existing conditions via a letter which he sent in the post. He says he sent this letter in March 2024 and again in October 2024 and has provided proof of postage from October 2024. AIG says it didn't receive a letter in March 2024 and the post it received in October 2024 related to a different claim and had no information about any pre-existing medical conditions in it.

- It is clear that Mr P did send something to AIG in the post but there is a dispute about what was sent. I can't say for certain what Mr P sent to AIG but even if I accept that Mr P did send a letter to AIG about Mr B's conditions, the terms require him to call AIG. And the terms are clear that if he doesn't, any claim for conditions won't be covered.

- Furthermore, AIG has provided commercially sensitive underwriting information which confirms that if Mr P had declared Mr B's condition, it wouldn't have provided cover. And so I am satisfied that if Mr B did write and if AIG called him or he called AIG, the end result would be the same. Mr B would not have cover for his pre-existing medical condition. As Mr P didn't follow up with AIG about the letter or discuss it with AIG when reminded about his medical declaration, I am not satisfied that AIG should have done anything different.

I am sorry to disappoint Mr P and Mr B and I am sorry to hear of Mr B's condition and his emergency treatment. But I don't think AIG has unfairly declined Mr B's claim and so I won't be asking it to do anything.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Mr P to accept or reject my decision before 10 February 2026.

Shamaila Hussain
Ombudsman