

The complaint

Mr B has complained that Zurich Insurance Company Ltd declined a claim he made on a travel insurance policy.

What happened

Mr B was on a trip abroad that had begun on 22 January 2025 and was due to end on 29 March 2025. On 21 March 2025 he suffered a serious health event that required surgery. He therefore made a claim on the policy for medical costs.

Zurich declined the claim on the basis that the circumstances weren't covered under the policy terms, namely that the maximum trip duration under the policy was 45 days. As the claimed for event happened after this point, there was no cover.

In responding to the complaint, Zurich maintained its decision to decline the claim. However, it acknowledged that there had been some delays and poor service and so it offered £350 for distress and inconvenience.

Our investigator thought that Zurich had acted reasonably in declining the claim, in line with the policy terms and conditions. She also thought that £350 was appropriate compensation for the service issues. Mr B disagrees and so the complaint has been passed to me for 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 complaint involves the actions of the claim administrators, acting on behalf of Zurich. To be clear, when referring to Zurich in this decision I am also referring to any other entities acting on its behalf.

I've carefully considered the obligations placed on Zurich by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for Zurich to handle claims promptly and fairly, and to not unreasonably decline a claim.

Looking at the policy terms, they state:

'For annual multi-trip insurance

The maximum trip duration of any one trip is 45 days. If you have chosen an annual multi trip Insurance, the outward and return journey must take place during the start and end date shown on the schedule of cover. Winter sports are limited to 17 days per policy year, where the appropriate additional premium has been paid.'

I consider that the limitation around the maximum trip length is clearly presented in the policy document. There is also a summary in the shorter insurance schedule that states the

maximum 45-day duration for any one trip. Therefore, overall, I'm satisfied that Mr B should have been aware that he was only covered for trips lasting no more than 45 days.

Under the policy terms, Zurich would be expected to provide cover for the first 45 days of Mr B's trip. Unfortunately, the claimed for medical event happened after this point. Based on the available evidence, I'm satisfied that there was no cover in place when the incident occurred.

As far as I'm aware, Mr B isn't disputing the policy wording or arguing that his circumstances fall within the policy terms. His complaint is about the way that Zurich handled the claim.

Mr B says it was his wife that first contacted Zurich on 21 March 2025 and at no point was she told that he would not be covered. However, that's not the same as saying he would definitely be covered. Based on the available information, the claims process was initiated at that point, with the usual checks being made to confirm coverage.

However, there were undoubted issues with the administration of the claim and information provided. Zurich was aware of his travel dates on 21 March 2025 and so was in a position to decline the claim at that point. However, it instead sought to obtain his medical records. And when it received those on 7 April 2025, it mistakenly confirmed that his claim was covered. Then on 11 April 2025 he was told that the claim would not be paid.

Mr B believes that, because it confirmed cover, that should be binding on Zurich. However, when a mistake happens, we wouldn't necessarily expect a business to honour that mistake. A relevant consideration is what would have happened had the error not occurred.

In this case, if things had happened as they should, upon his wife contacting Zurich, Mr B would have known almost immediately that he wasn't covered. He needed emergency surgery and didn't have any choice about undergoing that in any event, even if he'd known that he didn't have insurance (shown by the fact that he had the treatment prior to cover being confirmed). The financial loss that Mr B has talked about is a result of him not having valid insurance cover and therefore having to pay the clinic himself, rather than because of Zurich's error in telling him that the claim would be paid. So, there's no detriment to Mr B as he is in the position now that he would have been in if the mistake hadn't happened.

Zurich's error put him to the trouble of obtaining his medical records. Also, having been told on 7 April 2025 that he was covered, he then suffered a loss of expectation on 11 April 2025 when he was correctly told that the claim was being declined. Therefore, it is this that Zurich needs to compensate him for, rather than the cost of his medical treatment.

As an informal dispute resolution service, our awards are more modest than Mr B might expect and likely less than a court might award. I have a great deal of sympathy for the situation he found himself in. He became seriously unwell whilst abroad, which must have been very frightening and stressful, and he is out of pocket as a result. However, the matter at hand is whether Zurich has done anything significantly wrong – and I'm unable to conclude that it has. It correctly declined the claim due to Mr B having exceeded the maximum trip period. And, on balance, I consider that £350 is reasonable and proportionate compensation for the distress and inconvenience caused as a result of the service issues. It follows that I do not uphold the complaint.

My final decision

For the reasons set out above, I do not uphold the complaint. However, Zurich Insurance Company Ltd should pay the £350 compensation now if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or

reject my decision before 10 December 2025.

Carole Clark
Ombudsman