

## The complaint

Mr C complains Admiral Insurance (Gibraltar) Limited (Admiral) has declined the claim he made under his travel insurance policy.

## What happened

The circumstances of this complaint will be well known to both parties and so I've summarised events.

In March 2025 Mr C purchased an annual multi-trip travel insurance policy provided by Admiral. The policy start date was 1 April 2025. On 28 March 2025 Mr C was unfortunately hospitalised due to an infection and was discharged on 30 March 2025.

A few weeks later Mr C unfortunately suffered from a further infection. He called Admiral to make it aware of the situation as he was due to travel on 26 April 2025. He said he was told Admiral would either add medical exclusions to his policy, or the policy could be cancelled with a premium refund provided. Mr C subsequently cancelled his trip and submitted a claim under his policy.

Following a review of the claim Admiral declined it. It said had it been made aware of Mr C's admission to hospital and follow up treatment before the policy began it would have cancelled the policy. Mr C raised a complaint about the claim decision and the way his claim had been handled.

On 13 August 2025 Admiral issued Mr C with a final response to his complaint. It said its decision to decline his claim was the correct one. However, it said it could have reached a decision on his claim sooner and acknowledged errors with its online portal. It paid Mr C £100 compensation. Mr C referred his complaint to this Service.

Our Investigator looked into things. He said he thought had Admiral been made aware of Mr C's change in health before the policy start date it would have cancelled his policy, so it's reasonable for it to decline his claim. He also said Admiral should pay Mr C a further £100 compensation, bringing the total compensation due to £200 and refund his policy premium with interest.

Admiral accepted our investigator's view but Mr C disagreed with it. He provided a detailed response but in summary he said:

- Given when his illness occurred, he didn't have sufficient opportunity prior to the start date of the policy to notify Admiral of his change in health.
- Even had he done so, he wasn't persuaded Admiral would have done anything differently compared to when he called it in April 2025 to make it aware of his change in health.
- He has taken out several travel insurance policies since and at no time was he refused insurance or were medical exclusions required.

As an agreement couldn't be reached, the complaint has been passed to me to decide.

### **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.

I want to acknowledge I've summarised Mr C's complaint in less detail than he's presented it. I've not commented on every point he has raised. Instead, I've focused on what I consider to be the key points I need to think about. I mean no discourtesy by this, but it simply reflects the informal nature of this Service. I assure Mr C and Admiral I've read and considered everything that's been provided.

After Mr C purchased his policy, he was provided with a policy schedule and an Insurance Product Information Document (IPID). On his schedule it stated:

*'Changes in health: After you have paid for your policy, you must tell us immediately if there is a change in the health of any insured person whether or not any trips are booked as this can affect the cover we provide. Failure to do so could affect future claims.'*

*Changes in health may include you or any insured person:*

- *Seeking medical advice for new symptoms;*
- *Being diagnosed with a new medical condition;*
- *Having a change in prescribed medication or being prescribed new medication;*
- *Being admitted to hospital; or*
- *Being referred for tests, investigations, and treatment.'*

This is also highlighted in the IPID under a heading titled, 'What are my obligations?' and in the terms of the policy. So, I think it's clear there was an obligation on Mr C to make Admiral aware of any change in health after he purchased his policy, and this is the case whether or not the policy had started.

Mr C's policy, like most – if not all – travel insurance policies on the market, allow Admiral to withdraw or amend cover under the policy in certain circumstances if an insured experiences a change in health. This isn't unfair or unreasonable, as long as Admiral can show the risk being underwritten is now different.

Mr C has confirmed he was admitted to hospital on 28 March 2025. So, I'm satisfied he experienced a change in health Admiral needed to be made aware of prior to his policy starting. So, I've considered what Admiral would have done had it been made aware of this.

Admiral has said if Mr C made it aware of his change in health it would have cancelled Mr C's policy and provided a full refund. It has provided evidence to show that as the policy hadn't begun, it would have been unable to offer the policy with medical exclusions included and instead would have cancelled the policy. This information is commercially sensitive and so I'm unable to share it with Mr C, however I want to assure him I've considered it carefully when reaching my decision. Overall, I'm persuaded Admiral would have cancelled Mr C's policy had it been made aware of his change in health.

I acknowledge Mr C has said given he was discharged from hospital on 30 March 2025, he didn't have the opportunity to make Admiral aware of his change in health prior to the policy start date of 1 April 2025. However, I don't think it's unreasonable for Admiral to consider what it would have done had it been made aware of Mr C's change in health at the time his health changed, particularly as the terms explain it needs to be made aware of the change in health immediately.

I'm aware Mr C made Admiral aware of his change in health once his policy had started and it gave him the option to continue with the policy with a medical exclusion being added. However, Admiral has acknowledged this was an error and this would only be an option if the change in health occurred once the policy had started. In this instance Mr C experienced a change in health prior to the policy start date and so the only option available to Mr C would have been for the policy to be cancelled.

I've considered whether this misinformation has caused Mr C a financial loss but I'm not persuaded it has. In the medical certificate completed by Mr C's GP, his GP has said Mr C's condition meant he was unable to undertake his journey on the date he was due to travel. So, the evidence suggests Mr C was unfit to travel and would have needed to cancel his trip regardless of any misinformation Admiral provided him about his policy coverage.

I appreciate Mr C has said he has since been able to take out other travel insurance policies without issue. However, his policy was with Admiral, and I'm satisfied it has demonstrated it would have cancelled Mr C's policy had it been made aware of his change in health.

As I'm satisfied it was necessary for Mr C to make Admiral aware of his change in health, and Admiral has shown it would have cancelled the policy prior to cover starting, I don't think it's unreasonable Admiral has declined to cover Mr C's claim. However, as it would have refunded Mr C's premium, I require it to do this now, alongside paying 8% per year simple interest.

Admiral has acknowledged it has caused Mr C some distress and inconvenience and has now agreed to pay Mr C a total of £200 compensation. So, I've considered whether I think this is reasonable to acknowledge the impact to Mr C.

I think Mr C has been caused some distress and inconvenience by the way Admiral has handled his claim. It took it longer than it should have done to consider his change in health and communicate the outcome of his claim. Additionally, it has acknowledged Mr C was unable to access his documents on the portal which would have been frustrating. However, taking all of this into consideration I think the total of £200 compensation suggested by our Investigator is reasonable in the circumstances. I think compensation of this amount is reasonable in circumstances where a business's errors cause distress, taking reasonable effort to resolve, which I think is the case here.

### **My final decision**

For the reasons I've outlined above I uphold Mr C's complaint about Admiral Insurance (Gibraltar) Limited. I require it to:

- Reimburse Mr C his policy premium in full.
- \*Pay 8% per year simple interest on this amount, calculated from the date Mr C first made Admiral aware of his change in health to the date Admiral reimburse his premium.
- Pay a total of £200 compensation. It can deduct any compensation it has already paid as part of Mr C's complaint from this amount.

\*If Admiral Insurance (Gibraltar) Limited considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr C how much it's taken off. It should also give Mr C a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

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

Andrew Clarke  
**Ombudsman**