

The complaint

Mr and Mrs M complain that AWP P&C SA has turned down a medical expenses claim they made on a travel insurance policy.

What happened

The background to this complaint is well-known to both parties. So I've simply set out a summary of what I think are the main events.

Mr and Mrs M took out an annual travel insurance policy on 27 July 2024. Mrs M declared her own medical conditions, but no declarations were made for Mr M.

Unfortunately, a few days later, while Mr and Mrs M were abroad, Mr M became unwell and was admitted to hospital. Mrs M got in touch with AWP's emergency medical assistance team (the MAT) to make a medical expenses claim.

AWP asked for copies of Mr M's medical records so it could assess the claim. Ultimately, it noted that prior to taking out the policy, Mr M had been seen by a urologist in March 2024 and a gastroenterologist in July 2024. Mr M had been prescribed medication and the gastroenterologist's letter stated that they were awaiting the results of an ultrasound; that they wanted to arrange a CT scan and that they were also arranging a gastroscopy.

Based on the medical evidence, AWP concluded that Mr and Mrs M had made a deliberate or reckless misrepresentation under the relevant law. So it turned down their claim, avoided the policy from the start and kept the premium they'd paid.

Mr and Mrs M were very unhappy with AWP's decision and they asked us to look into their complaint. They said all Mr M's examinations had been clear, so they hadn't realised they had anything to declare. They were also unhappy with the way the MAT had handled the claim.

Our investigator didn't think AWP had treated Mr and Mrs M unfairly. She thought it had been reasonable for AWP to have found that Mr and Mrs M had made a qualifying, reckless misrepresentation under the relevant law. And she also felt the MAT had handled the claim in a timely way.

I issued my first provisional decision on 14 January 2026. In that provisional decision, I explained why I thought Mr and Mrs M hadn't answered AWP's clear medical questions accurately. So I thought they had made a misrepresentation. But I didn't think AWP had provided sufficient evidence to show that Mr and Mrs M's misrepresentation was a qualifying misrepresentation under the relevant law, despite my requests for further information. And on that basis, I didn't think AWP had shown it was entitled to rely on the legal remedy available to it to turn down Mr and Mrs M's claim and cancel their policy. So I set out that subject to any further evidence provided by either party, I intended to find that AWP should reassess Mr and Mrs M's medical expenses claim in line with the policy terms.

Mr and Mrs M provided detailed further evidence. In brief, they stated that the testing Mr M had undergone was purely precautionary. They said they genuinely hadn't believed any medical conditions needed to be declared and they hadn't intentionally sought to mislead AWP. Mr and Mrs M also explained about the impact the claim and the situation had had on their lives and Mr M's health.

AWP disagreed with my provisional findings and provided underwriting evidence which showed that if it had been told about Mr M's investigations, it would never have offered Mr and Mrs M this policy.

Having considered AWP's underwriting evidence, I issued a second provisional decision on 14 January 2026, which explained why I was now satisfied that AWP had handled Mr and Mrs M's claim fairly. I said:

'I'd like to reiterate how sorry I was to hear about Mr M's ill-health abroad. It's clearly been a very worrying and upsetting time for Mr and Mrs M and I'm sorry to hear about the impact the situation has on them. I'd reassure Mr and Mrs M too despite my summary of the background to their complaint and their submissions to us, I've carefully considered all that's been said and sent. In this decision though, I haven't focused on each point that's been made and nor do our rules require me to. Instead, I've focused on what I think are the key issues.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. I've taken those rules into account, amongst other relevant considerations, such as regulatory principles, the law, and the available evidence, to decide whether I think AWP treated Mr and Mrs M fairly.

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

When Mr and Mrs M applied for the policy, they were asked questions about themselves and their health. AWP used this information to decide whether or not to insure Mr and Mrs M and if so, on what terms. AWP says that Mr and Mrs M didn't correctly answer one of the questions they were asked at application. This means the principles set out in CIDRA are relevant. So, I think it's fair and reasonable to apply these principles to the circumstances of Mr and Mrs M's claim.

AWP thinks Mr and Mrs M failed to take reasonable care not to make a misrepresentation when they applied for and took out the policy. So, I've carefully considered whether I think this was a fair conclusion for AWP to reach.

First, when considering whether a consumer has taken reasonable care, I need to consider whether the questions they were asked during the sales process were clear. AWP has provided me with a copy of the online questions that were asked during the sales process.

I've set below the questions I believe to be relevant:

'Have you or anyone in your party been prescribed medication or received treatment or attended a medical practitioner's surgery in the last 2 years?

Have you or anyone in your party attended a hospital or a clinic as an out-patient or in-patient in the last 2 years?

Are you currently awaiting any treatment or results for any undiagnosed condition? (i.e. are awaiting an initial diagnosis for symptoms you currently have).'

While Mrs M declared her own medical conditions, she did not answer 'yes' to any of the above questions in relation to Mr M.

In my view, these questions were set out in a clear and understandable way. And I think they were specific enough that they ought reasonably to have prompted Mr and Mrs M to realise what information AWP wanted to know.

AWP concluded that Mr and Mrs M didn't answer its questions correctly. So I've looked carefully at the available medical evidence to decide whether I think this was fair conclusion for AWP to draw.

I have seen a letter from a urologist, dated 28 March 2024, following an appointment Mr M had had the previous day. It set out symptoms Mr M had been experiencing. While Mr M's PSA level had been noted to be normal, it seems the urologist agreed with Mr M that a further appointment would be arranged for three months later; that Mr M's PSA levels would be kept under surveillance and that an exam would take place at the appointment.

Mr M also saw a gastroenterologist on 1 July 2024 – around four weeks before the policy was purchased. The letter stated that Mr M had been experiencing nausea after eating. The gastroenterologist told Mr M to take omeprazole once a day. The gastroenterologist stated that they were awaiting the results of an ultrasound; that they had requested a CT scan and that they would be arranging a gastroscopy for Mr M.

Based on the medical evidence, it seems clear that Mr M had attended specialist clinics on at least two occasions in the months before applying for the policy. This was something AWP had specifically asked to know about. It appears that the gastroenterologist had prescribed Mr M omeprazole – again, something he was asked about. And the evidence indicates that at the time of the July 2024 appointment, which, as I've said, took place only a few weeks before the policy was purchased, Mr M had symptoms which were being investigated. I say that because the doctor has not only referred to ultrasound scans, but also to requesting a CT scan and gastroscopy. Investigations were also something AWP had asked Mr and Mrs M to tell it about.

In my view then, Mr and Mrs M ought reasonably to have answered AWP's questions differently. Mrs M reiterated that she and Mr M thought his tests were clear, that the tests were precautionary and that there was nothing to declare. She also says Mr M felt the referral for an endoscopy (gastroscopy) was excessive and he chose not to pursue it. I've reconsidered this carefully. But I still think that given the clarity of AWP's questions and the proximity of the appointment to the policy sale, Mr and Mrs M should reasonably have answered the questions accurately. I also note, from a clinic letter dated August 2024, that, in fact, Mr M had had the CT scan before he went on holiday. And Mr and Mrs M told us that following their return from abroad, Mr M did pursue the gastroscopy referral.

This means I don't think it was unreasonable for AWP to have found that Mr and Mrs M had

made a misrepresentation at the time of sale.

Next, I've considered whether AWP has shown that Mr and Mrs M's misrepresentation was a qualifying one under CIDRA. In response to my first provisional decision, it's now provided me with evidence which shows that, had Mr M declared he was under referral for investigations and was waiting for the outcome of those tests, AWP wouldn't have been able to offer him this policy at all. This means I think AWP has demonstrated that Mr and Mrs M made a qualifying misrepresentation and that it's reasonably entitled to apply the remedy available to it under the Act.

AWP concluded that Mr and Mrs M's misrepresentation was deliberate/reckless. CIDRA says that a qualifying misrepresentation will be deliberate or reckless if the consumer:

- knew the information they provided was untrue or misleading or did not care whether it was untrue or misleading; and*
- knew that the matter to which the misrepresentation related was relevant to the insurer or did not care whether or not it was relevant to the insurer.*

As I've set out above, Mr and Mrs M say they thought Mr M's tests had been clear and that they didn't need to declare any conditions for him to AWP. Again, I've reconsidered this carefully. However, as I said, Mr M saw a gastroenterologist only a few weeks before taking out the policy and investigations had been arranged to investigate his symptoms. This was something Mr and Mrs M had been specifically asked about. So I think this information should have been easy for Mr and Mrs M to remember. And I think they ought to have realised it was important to AWP.

So I don't think AWP acted unfairly or unreasonably when it concluded that Mr and Mrs M's misrepresentation was reckless.

CIDRA says that in cases of reckless misrepresentation, an insurer may turn down a claim, cancel the policy from the start and retain the policy premium. That's what AWP has done here. And as AWP's actions are in line with CIDRA, I think it's reasonably applied the remedy available to it under the Act.

AWP's handling of the claim

Mr and Mrs M also consider the MAT failed to handle the claim reasonably. So I've looked carefully at the MAT's notes. I can see that the MAT was notified about the claim on 1 August 2024. In line with standard procedures, AWP concluded it needed medical evidence before it could make a claims decision. In my experience, most, if not all, travel insurers require medical information before cover can be decided and so I don't find AWP acted unreasonably by asking for Mr M's medical records. AWP asked for this information on the following day, although it seems it needed to send a further form a few days later. It seems the GP records were received on 5 August 2024 and were reviewed in a timely way. And it appears that Mrs M was told about the decision to turn down Mr M's claim on 8 August 2024.

And in the round, I think it kept the hospital up to date with what was happening. I acknowledge Mrs M had to chase AWP at times for updates, but overall, I don't think any failing by AWP caused Mrs M material distress and inconvenience which warrants an award of compensation.

I appreciate Mrs M feels AWP should have told her that Mr M was in a private hospital so they could have looked to move Mr M to a state facility. I've thought about this. But the treating doctor seems to have indicated on 5 August 2024 that Mr M shouldn't be moved.

And while the MAT looked at a possible transfer, its notes show it thought Mr M was receiving appropriate care and a transfer was unlikely. So it seems any suggestion that Mr M should be moved to a state hospital would have been made against medical advice. And therefore, I don't think I could fairly find there's been any error on AWP's part here either.

In summary then, I'm not planning to direct AWP to pay any compensation for its handling of this claim.

Conclusion

Overall, despite my natural sympathy with Mr and Mrs M's position, I don't think AWP handled their claim unfairly. So I'm not planning to tell it to do anything more.'

AWP didn't respond to my second provisional decision.

Mr and Mrs M didn't accept my provisional findings. In brief, they did not accept that they had made a reckless misrepresentation under CIDRA. They said Mrs M had declared all of her own medical conditions, which showed she'd been acting in good faith and hadn't sought to mislead AWP. At the time they'd taken out the policy, Mr M hadn't been diagnosed with any illness, he wasn't receiving treatment and they'd believed there to be nothing wrong with him. They believed that any misrepresentation was unintentional and made in good faith – and at most, careless. They questioned whether the underwriting evidence was appropriately dated. And they felt it was disproportionate to void the policy – instead, they felt a proportionate settlement should apply.

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, whilst I'm very sorry to disappoint Mr and Mrs M, my final decision is the same as my provisional decision and for the same reasons. I'll now explore the further points Mr and Mrs M have made.

I accept that Mrs M did declare her own diagnosed conditions. I also accept that the policy Mr and Mrs M purchased – in line with many other travel insurance policies available on the market - did offer policyholders the opportunity to undergo medical screening and potentially obtain cover for existing conditions.

However, it remains the case that I'm satisfied Mr and Mrs M were asked clear and specific questions during the sales process which ought reasonably to have prompted them to realise what information AWP wanted to know – in particular with regard to outpatient appointments and investigations. Again, I've taken into account the proximity of Mr M's urology and gastroenterology appointments to the time of sale, along with his referral for investigations and prescription of omeprazole. And I think Mr and Mrs M ought to have realised that this was information AWP needed to know in order to assess whether or not to offer cover, even if they didn't think there was likely to be a real issue with Mr M's health.

Additionally, having taken together AWP's original submissions and the underwriting evidence it's since sent us, I'm persuaded it's shown that it wouldn't have offered Mr and Mrs M this policy in July 2024 had they answered AWP's questions accurately.

On that basis, I don't think I could reasonably find that AWP acted unfairly when it categorised the misrepresentation here as reckless. Therefore, I still find AWP was entitled to rely on the remedy available to it under the Act.

I would add though that even if I had thought careless misrepresentation was the more appropriate categorisation of Mr M's misrepresentation, that wouldn't lead to a proportionate settlement under CIDRA. That's because CIDRA says that in cases of careless misrepresentation, an insurer may 'rewrite' the policy as if it had all of the information it wanted to know. If it wouldn't have offered cover, it may decline a claim, void the policy – but refund the premiums a policyholder has paid for the policy. As AWP has shown it wouldn't have offered Mr and Mrs M this policy, I'm satisfied that even if it had categorised the misrepresentation as careless, their claim would still have been declined and their policy would still have been voided.

As I've said above, I do have a great deal of sympathy with Mr and Mrs M's position because I understand this matter has had a real impact on them and it's a very worrying situation for them. But overall, I don't think AWP has treated them unfairly. So I'm not telling it to do anything more.

My final decision

For the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M and Mr M to accept or reject my decision before 20 March 2026.

Lisa Barham
Ombudsman