

The complaint

Mr K is unhappy about the way Zurich Insurance Company Limited handled a claim made under his travel insurance policy, after he was injured abroad and required emergency medical treatment. That includes the decision to ultimately decline a claim to cover medical costs.

All reference to Zurich includes the agents appointed to provide medical assistance and handle claims and complaints on its behalf.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. I'll focus on giving the reasons for my 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.

I've considered all the points made by the parties along with all the other evidence. I won't respond to each of these. I hope everyone understands that no discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here.

The rules that govern the Financial Ombudsman Service allow me to do this as we are an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I haven't. I'm satisfied I don't need to comment on every point to fulfil my statutory remit.

The decision to decline the claim

Zurich has a regulatory obligation to handle insurance claims fairly and promptly. And it mustn't unreasonably decline a claim.

I have a lot of empathy for what happened to Mr K whilst abroad. I appreciate he experienced significant injuries and required emergency treatment. And Zurich's ultimate decision to not cover his medical costs has had a significant financial impact on him.

I'm sorry to disappoint Mr K but for the reasons set out below, I'm satisfied Zurich has acted fairly and reasonably by declining the claim.

Subject to the remaining terms and conditions, the policy does provide cover for emergency medical treatment and repatriation. The policy contains general exclusions, which includes an exclusion that the policy doesn't cover any claim resulting from or relating to:

You driving any car or motorcycle unless you hold the equivalent and appropriate valid license in the UK for that category of vehicle.

Zurich has ultimately relied on this general exclusion as the reason to decline the claim. I think it's acted fairly and reasonably by doing so.

I'm satisfied that Zurich has fairly concluded that the UK driving licence Mr K provided to it didn't permit him to drive the category of motorbike Mr K was riding at the time of the accident which resulted in his injuries. There was an endorsement which meant that he was permitted to drive a motor tricycle over 15kW but not a motorbike.

I'm satisfied that Zurich acted fairly and reasonably by requesting whether Mr K had any other licence which permitted him to drive the motorbike he was riding at the time of the accident.

Mr K said that the licence he obtained from the country he was visiting was stolen/lost after the accident. I'm satisfied that Zurich acted fairly by trying to obtain evidence in support of Mr K having such a licence. It tried to contact the person who was said to have owned the motorbike (and hired it to Mr K) to see if they held a copy. They didn't return Zurich's messages. Mr K also said he'd contact the relevant department in the country he was in to see if they could provide a record of him holding such a licence.

I appreciate why Mr K feels that Zurich should've waited for him to obtain this before declining cover under the policy, by relying on the general exclusion. However, Mr K was in hospital awaiting surgery, and the treating hospital had requested a further guarantee of payment from Zurich.

Mr K didn't hold the equivalent and appropriate valid license in the UK for the motorbike he was driving, and he couldn't produce any other licence permitting him to drive that motorbike. Based on the available evidence at the time, I'm satisfied that it was fair and reasonable for Zurich to decline the claim when it did.

Zurich did say that if Mr K was able to obtain any documents supporting that he had passed a driving test to drive the category of motorbike he was riding at the time of the accident, he should forward to Zurich for further review. I think that is fair and reasonable and in line with what I'd reasonably expect.

The way the claim was handled

In its final response dated December 2025, Zurich accepts that the service Mr K received wasn't to the appropriate standard. It says there was a lack of clear and effective communication with Mr K, meaning that his expectations on cover under the policy wasn't correctly managed. It also accepts that there were avoidable delays in the cover decision being reached. Zurich offered Mr K £500 compensation to reflect the impact on him.

After the complaint was brought to the Financial Ombudsman Service, Zurich clarified to our investigator that it should've been more proactive in asking Mr K about his driving licence so that a claims decision could've been made earlier.

I agree. There was a delay in identifying the issue with Mr K's UK driving licence and if this had been noticed earlier, the claim is likely to have been declined earlier. I've considered the impact on Mr K and what is likely to have happened (on the balance of probabilities) if the claim had been declined earlier.

Shortly after his claim was declined, Mr K was discharged from the treating hospital, and he travelled to a different hospital to continue treatment. It's possible that he would've done this earlier if his claim has been declined earlier and therefore saved significant medical costs.

However, the evidence supports that Mr K needed emergency surgery and it wasn't until around the time Zurich definitely confirmed that it wouldn't be providing another guarantee of payment to the treating hospital and that there was no cover under the policy, that the treating hospital suggested Mr K being transferred to another hospital. The evidence from the treating hospital around the time says that Mr K's "current condition allows for a move to a general ICU setting" but "cannot be discharged as an outpatient because they currently have a chest tube".

I'm not persuaded on the balance of probabilities that Mr K would've discharged himself earlier than the time he did – or that it would've been medically appropriate for him to do so, before the claim was ultimately declined. Almost a week before the claim was ultimately declined, Mr K was told by Zurich that even if cover was in place, it would only be covering just over half of the costs incurred as Mr K hadn't declared medical conditions when taking out the policy (and if he'd done so, he would've been charged a higher premium). So, it said it would pay costs in proportion to the premium he paid for the policy and what he should've paid. That would've still left Mr K being responsible for a significant amount of costs. Although Mr K spoke about possibly discharging himself at the time into the care of a friend – who was a medical professional – this wasn't recommended from a medical perspective. And there's no compelling evidence from the treating hospital from around that time, suggesting that Mr K can or should be moved to another hospital.

So, whilst I'm not persuaded that Mr K would've done anything differently had the claim been declined earlier, I do accept that not identifying issues with his driving licence earlier caused him unnecessary confusion, distress and inconvenience. And this would've made an already difficult situation worse for him. Along with the other errors identified by Zurich, I'm satisfied that £500 compensation fairly reflects the impact on him.

Further, after Zurich had provisionally taken the decision to decline the claim, it requested that Mr K undergo a further CT scan which took place around 24 November 2025. This was to assist its understanding whether Mr K was fit to fly, and with what support. I'm satisfied that the treating hospital wouldn't have requested this scan if it were not for Zurich's request.

Even though I'm satisfied that Zurich doesn't need to cover Mr K's overall medical costs, I'm satisfied that it's fair and reasonable for it to cover the cost of this CT scan and it should deduct this cost from overall medical expenses Mr K owes Zurich (in respect of the initial guarantee of payments it provided to the treating hospitals). From the notes, it's clear that the decision had effectively been taken to decline the claim by relying on the exclusion by this time.

I also note that the treating hospital had advised that Mr K was fit to fly. Given Mr K's high oxygen requirements, Zurich disagreed at the time. That doesn't seem unreasonable in the circumstances, and I've seen no compelling evidence that the treating hospital pushed back on what Zurich said. I think it was reasonable for Zurich to request further information from the treating hospital including an updated medical report, current oxygen requirements and the type of chest drain in place to consider this issue further.

Mr K is also unhappy that surgery was delayed as a further guarantee of payment hadn't been given by Zurich to the treating hospital. However, it had provided a guarantee of payment up to mid-November 2025. Surgery was recommended by 26 November 2025. As cover had yet to be verified, I don't think it was unreasonable for Zurich to not provide a further guarantee of payment in the circumstances of this case.

Other issues

Mr K's complaint had also included a concern that Zurich had acted unfairly by concluding that even if the general exclusion hadn't been applied, it would only be responsible for 55% of any costs, relying on the provisions set out in The Consumer Insurance (Disclosure and Representations) Act 2012 (CIDRA).

Our investigator explained why, in her opinion, Zurich had fairly and reasonably relied on the CIDRA when concluding it would only cover 55% of the claim, in proportion to the premium paid for the policy (and what Mr K should've paid if he'd disclosed the medical conditions he should've disclosed when applying for the policy).

Mr K disagreed with our investigator's opinion about Zurich fairly and reasonably relying on the general exclusion to ultimately decline the claim, and that its offer of £500 compensation to reflect the impact of some service issues was fair. However, he did say that he now accepts that not disclosing two conditions meant that under CIDRA, Zurich was allowed to settle the claim proportionately (based on the premium difference).

As this complaint point is now settled, I'm satisfied that I don't need to determine this issue.

Mr K has more recently provided information about the licence he obtained whilst in the country he was visiting. This information wasn't available to Zurich at the time the claim was declined. If he hasn't already done so, Mr K is free to provide this to Zurich to review and to determine whether this changes its claim decision. If Mr K is unhappy with Zurich's response, he can raise a further complaint to Zurich in the first instance.

Putting things right

I direct Zurich to:

- pay Mr K £500 compensation for distress and inconvenience (if this hasn't already been paid).
- deduct the cost of the CT scan which took place around 24 November 2025 from the amount Mr K owes Zurich for the medical costs it paid.

My final decision

I partially uphold this complaint to the extent set out above. I direct Zurich Insurance Company Limited to put things right as set out above. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 6 May 2026.

David Curtis-Johnson
Ombudsman