complaint

Mr E and Mrs M complain that Solid Försäkringar AB ('Solid') turned down their cancellation claim under their travel insurance policy.

background

In March 2015 Mr E and Mrs M booked a holiday for late summer that same year.

In May 2015, Mr E bought them travel insurance with Solid. On the same day Mrs M saw her GP about some changes she'd noticed in her breast. Her GP wasn't concerned but sent her for a routine check. These checks unfortunately revealed she had breast cancer. She needed surgery and further treatment. They cancelled the holiday, and made a claim to Solid for the cancellation costs.

Solid turned down the claim. It thought Mr E should have told it about Mrs M's GP's appointment when answering the online medical questions on a price comparison website. If he had the website wouldn't have put forward Solid's details as a possible travel insurer.

Solid pointed out Mr E had bought the policy less than an hour before Mrs M's GP's appointment. This suggested they'd known they might need to claim, given the timing between booking the holiday, arranging the insurance and Mrs M's GP's appointment.

Mr E and Mrs M said they'd been shopping around for insurance, because Mrs M had a separate medical condition. Their travel agent couldn't offer insurance for this. There had been a delay because Mr E had to care for an older relative following a fall. Mr E bought the policy online. He declared Mrs M's separate medical condition, which it agreed to cover. Mrs M said she hadn't even seen her GP at this point, so she couldn't have told Solid about a medical condition she didn't know she had.

Our adjudicator thought Mr E and Mrs M had given Solid correct answers to the questions it had asked. In particular, Mrs M hadn't been on a *'waiting list for investigation or treatment'* when they'd bought the policy. So she thought Solid should pay the claim.

Solid said it had fairly turned down the claim. It said Mrs M had noticed changes in her breast in the weeks before buying the insurance. They'd bought the insurance less than an hour before her GP's appointment. Solid referred to the health conditions and exclusions in its policy. It clearly excluded claims where the policy holder was waiting for investigations, and/or was aware they might need to make a claim at the time they bought the policy.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I think Solid should fairly pay Mr E and Mrs M's cancellation claim. I'll explain why.

There's no dispute Mr E told Solid about Mrs M's diagnosed medical condition, in response to its question about 'pre-existing medical conditions'. Solid agreed to cover her for this. But Solid says Mr E should have also answered 'yes' to this question:

'Are you or anyone in your party currently on a waiting list for treatment or investigation?'

I don't agree Mr E should have answered 'yes' to this question. Mrs M hadn't seen a GP at this stage. She wasn't on a waiting list for treatment or investigation. So Mr E (on behalf of himself and Mrs M) answered this question accurately, and to the best of his knowledge and belief.

If Solid wanted to know about any forthcoming medical appointment or about any symptoms, then it needed to ask a clear question about this. It didn't. And the questions it did ask weren't the same as the medical condition exclusions it now wants to rely on. They didn't capture the information it wanted to know about.

Solid has also raised concerns about the timing of the doctor's appointment. It wants to rely on a general policy exclusion. This says Mr E and Mrs M are not covered for:

"Any claim relating to an incident which you were aware of at the time you purchased this insurance and which could reasonably be expected to lead to a claim."

I don't think Solid can rely on this exclusion. Mrs M was aware of a change in her breast. She was looking for reassurance from her GP that this was due to menopausal changes. She wasn't aware she had breast cancer. Her GP didn't think she had any cause for concern either, but sent her for a routine check at the breast clinic. So I can't see the claim related to 'an incident' she and Mr E were aware of, which could reasonably be expected to lead to a claim.

Mr E and Mrs M have explained they didn't buy travel insurance straight away because Mrs M's other medical condition meant their travel agent's policy wasn't suitable. So they had to shop around for insurance. There was a further delay when Mr E's older relative needed his care. They've been consistent about the reasons for the delay through their complaint, and I find their explanation plausible.

I think the fair outcome in this complaint is for Solid to pay Mr E and Mrs M's cancellation claim.

my final decision

I uphold this complaint.

I require Solid Försäkringar AB to pay Mr E and Mrs M's cancellation claim, in line with the remaining policy terms and conditions. Solid must also pay interest on this amount at the simple rate of 8% per year from the date they made their claim to the date it makes the payment[†]

[†] HM Revenue & Customs requires Solid to take off tax from this interest. Solid Försäkringar AB must give Mr E and Mrs M a certificate showing how much tax it's taken off if they ask for one.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E and Mrs M to accept or reject my decision before 15 February 2016.

Amanda Maycock
ombudsman