

The complaint

Mrs P and Mr Z have complained about the way Society of Lloyd's (SOL) handled their claim for assistance whilst abroad.

All reference to SOL includes any agents acting on its behalf.

What happened

Mrs P and Mr Z have a travel insurance policy, underwritten by SOL. They went abroad when unfortunately, Mrs P suffered an injury and so she sought emergency medical treatment. She contacted SOL and told them the hospital had recommended an MRI. SOL confirmed she could go ahead with the MRI which would be arranged.

Mrs P called SOL the following day and asked about the MRI but was told that the medical team had reviewed the medical report and the MRI wasn't necessary urgently and it could wait until she returned to the UK - so it was no longer authorised.

Mrs P complained and SOL offered £250 compensation for the incorrect initial advice. Unhappy with SOL's response, she referred her complaint to the Financial Ombudsman Service.

Our investigator looked into the complaint and found that the £250 compensation was reasonable for the poor advice and loss of expectation. But he didn't think SOL had incorrectly refused the MRI as the policy only covered necessary treatment.

Mrs P disagreed and said that as a result of the delay in having an MRI, she was unable to have a specific type of surgery which needed to be done soon after the injury. And this affected her recovery and future health.

And so the case has been passed to me for a final 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.

Having done so, I don't think this complaint should be upheld. I'll explain why.

- The relevant rules and industry guidelines say an insurer should handle claims promptly and fairly. And shouldn't unreasonably reject a claim.
- The policy terms, which make up the contract of insurance between SOL and Mrs P say: *"You are covered...for...Reasonable and necessary medical, hospital and treatment expenses..."* and *"You are not covered for The cost of any treatment which, in the opinion of OUR medical adviser, can reasonably be delayed until your return to YOUR PLACE OF DOMICILE."*

- Although SOL initially agreed that Mrs P could have an MRI, it explained it had made a mistake when it initially authorised the MRI. It explained that the medical report was forwarded to its medical team who didn't think the MRI was urgent and it could wait until Mrs P returned to the UK.
- Mrs P says that as a result of the delay in the MRI, she didn't have a definitive diagnosis and wasn't able to have a procedure which would have resulted in a better clinical outcome for her. However, SOL cannot be held responsible for any delays Mrs P experienced in having an MRI when she returned home. Her travel insurance policy is designed to cover necessary treatment expenses and isn't designed to replace the NHS and doesn't work in the same way as a private medical insurance policy.
- For the incorrect information it gave to Mrs P, SOL offered £250 compensation. I think this is reasonable for the disappointment Mrs P felt for a day, after SOL initially said the MRI was covered. I cannot ask SOL to compensate for any delays to her treatment in the UK or the consequences of this.
- Mrs P has provided some medical information about the advantages of an early repair for injuries such as hers. But the timeframe given suggests a patient should be seen within 5-6 weeks. I haven't seen any evidence that the repair had to be done immediately or that SOL would need to authorise this kind of treatment abroad. Mrs P would always have needed to have returned to the UK for the surgery. It therefore follows that an MRI abroad wasn't necessary as she wouldn't be having treatment abroad and SOL cannot be held responsible for the NHS timescales in the UK, or any delay Mrs P experienced after her return.
- Overall, although SOL made a mistake in telling Mrs P her MRI was initially authorised, I don't think its subsequent decision with input from its medical adviser, not to authorise the MRI, was unreasonable. And I think the £250 compensation is adequate for her loss of expectation. So I can't fairly ask SOL to do anything further.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P and Mr Z to accept or reject my decision before 27 February 2024.

Shamaila Hussain
Ombudsman