

The complaint

Miss F and Mr M complain that Astrenska Insurance Limited, trading as Collinson Insurance, declined their claim against their travel insurance policy.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here in full. In summary, Miss F and Mr M planned a family trip with departure and return dates of 18 November 2022 and 24 November 2022 respectively.

On 15 November 2022, Miss F was advised by her GP to attend A&E in relation to her symptoms arising from hyperemesis gravidarum. At A&E Miss F was treated for her condition and tested for Covid-19. A&E's discharge summary to Miss F's GP refers to Miss F having a mild cough and that she'd tested positive for Covid-19.

On 17 November 2022, Miss F and Mr M bought a single trip travel insurance policy underwritten by Astrenska. The policy certificate records that they didn't declare any medical conditions. Miss F and Mr M travelled as planned on 18 November 2022.

Unfortunately, Miss F became unwell whilst on the trip. On 21 November 2022, she was admitted to hospital following exacerbation of hyperemesis gravidarum. Miss F was discharged from the overseas hospital on 23 November 2022.

Following her return to the UK, Miss F made a claim against the policy. Miss F says that in June 2023, Astrenska told her that it would settle her claim. In July 2023, Miss F prompted Astrenska for payment. Astrenska declined her claim.

Astrenska said that Miss F had travelled against the advice of her GP and the UK government, as she'd tested positive for Covid-19. Astrenska also said that it wouldn't have offered Miss F the policy if she had declared her diagnosis of hyperemesis gravidarum.

Miss F says that she bought the policy because it covered pregnancy related issues. She says that before travelling on 18 November 2022, she carried out two lateral flow tests which were negative. Miss F says that she wasn't advised against travel. She believes that the Covid-19 result was a false positive.

One of our investigators looked at what had happened. She didn't think that Astrenska had handled the claim fairly. The investigator said that Miss F tested positive for Covid-19 on 15 November 2022, three days before her departure date. She said that there's no evidence that her GP advised Miss F not to travel. The investigator said that at the relevant time, there was no prohibition on travel from the UK government. So, she didn't think that Miss F had travelled against medical or government advice.

The investigator said that Astrenska hadn't provided any evidence to show that it wouldn't have offered Miss F cover if she'd disclosed hyperemesis gravidarum. She also

said that Astrenska had delayed in dealing with Miss F's claim and told her that it would settle her claim, then reneged on that.

The investigator recommended that Astrenska reassess Miss F's claim in line with the policy terms and pay compensation of £100 in relation to distress and inconvenience.

Miss F agreed with the investigator but Astrenska didn't respond. As there was no agreement between the parties, the complaint was 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.

The relevant rules and industry guidance say that Astrenska has a responsibility to handle claims promptly and fairly and it shouldn't reject a claim unreasonably. I uphold this complaint and I'll explain why:

- Astrenska declined Miss F's claim because it said that she'd travelled against both her GP's advice and the advice of the UK government. I don't think that Astrenska acted fairly in declining Miss F's claim for those reasons.
- I've seen nothing to support Astrenska's assertion that Miss F travelled against her GP's advice. Astrenska's notes indicate that in mid-June 2023, Miss F's GP had confirmed that there was nothing in Miss F's medical notes about travelling against medical advice. But Astrenska subsequently told Miss F that was one of the reasons her claim was declined.
- There was no prohibition on travel from the UK government at the relevant time, so I don't agree that Miss F travelled against the advice of the UK government.
- I can understand Astrenska's concerns about the claim given that it arose from treatment for the same condition Miss F had been treated for a few days before travel. Astrenska said that it wouldn't have offered Miss F the policy if she had declared her diagnosis of hyperemesis gravidarum.
- It's for Astrenska to show that Miss F provided incorrect or incomplete information at the time of taking out the policy. It also needs to show that if it had known the true position it would have acted differently, either in declining to offer Miss F a policy or offering her a policy on different terms.
- We've asked Astrenska about this, more specifically, we've asked it about the questions Miss F was asked when she took out the policy, the answers she gave and on what terms it would have provided cover for Miss F. Astrenska hasn't responded.
- In the absence of the information we've asked for, there are no grounds on which I can fairly conclude that Astrenska is entitled to decline Miss F's claim on the basis that she didn't take reasonable care not to make a misrepresentation when she took out the policy.
- Astrenska took much longer to deal with Miss F's claim than we'd expect. It appears from Astrenska's notes that Miss F made her claim in late 2022. Astrenska asked for medical records from Miss F's GP, which it received in late

January 2023. In late April 2023, Astrenska asked Miss F's GP for some further information, which it received in mid-June 2023. Miss F says that in June 2023, Astrenska told her that it would settle her claim but in mid-July 2023 her claim was declined.

- I think that Astrenska's delay in dealing with Miss F's claim caused her distress and inconvenience as she was put to the trouble of pursuing her claim over several months. I think that fair compensation for that is £100.

Putting things right

In order to put things right, Astrenska should:

- Re-assess the claim in line with the policy terms and conditions, taking into account what I've said above.
- Pay interest on the amount of any settlement at the simple rate of 8% per year, from the date of the claim to the date of payment*.
- Pay compensation of £100 in relation to distress and inconvenience.

*HM Revenue & Customs requires Astrenska to take off tax from this interest. Astrenska must give Miss F and Mr M a certificate showing how much tax it's taken off, if they ask for one.

My final decision

My final decision is that I uphold this complaint. Astrenska Insurance Limited trading as Collinson Insurance, should now take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F and Mr M to accept or reject my decision before 6 March 2024.

Louise Povey
Ombudsman