

The complaint

Mr W has complained that Inter Partner Assistance SA (IPA) initially failed to identify that his travel insurance policy was still active at the point he became unwell, meaning that he missed out on inpatient treatment that had been advised by a doctor.

What happened

Mr W was on holiday abroad when he began to feel unwell. He attended hospital on 5 July 2023 and underwent some tests. He also contacted IPA asking for confirmation that he could be admitted and that it would guarantee cover.

When trying to verify the claim, IPA's information indicated that Mr W's policy had ended on 30 June 2023. For some reason it could not tell that Mr W had purchased an extension to the policy that provided cover until 31 August 2023. It was two days before it asked Mr W for more information about this issue. He was then able to provide proof of the extension on 8 July 2023, at which point IPA accepted that he was within the cover period.

Our investigator upheld the complaint and recommended that IPA should pay Mr W £250 compensation for poor service. She also recommended that it should accept the claim, paying any costs incurred by Mr W, subject to the usual conditions and policy exclusions.

IPA accepted the investigator's view. Mr W disagrees with the investigator's opinion as he believes £250 is insufficient for the distress and inconvenience caused to him. Therefore, the complaint has been passed to me for a 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 carefully considered the obligations placed on IPA by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for IPA to handle claims promptly and fairly, and to not unreasonably decline a claim.

IPA accepted the investigator's view that it should have been able to identify that Mr W had purchased a policy extension and that the delay caused by not being able to do so caused Mr W detriment. The question is whether £250 is an appropriate amount of compensation.

Mr W would like to be compensated for loss of earnings. He says that, as a result of not receiving the care that he would have received as an in-patient, that led to complications and a longer recovery period. He says he didn't work at all in July and August 2023, and only part-time in September and October 2023.

To award consequential losses, I'd have to be persuaded that any loss flowed directly from the error made by IPA.

I've thought very carefully about what Mr W has said about the impact this has had on his health. I understand he feels very strongly about this point and I have a great deal of sympathy for the situation he found himself in. However, I don't have enough evidence to conclude, on a balance of probability, that he took longer to recover because of not being admitted to hospital on 5 July 2023. So, I am not making any award in relation to this.

Mr W has also said that he is out of pocket by £721 for medical bills. Mr W initially misunderstood what was being recommended by our investigator and thought that the £250 compensation was to cover everything. However, I believe he now understands that, in addition to the £250, IPA were also being asked to assess the claim. As such, Mr W can seek to recoup his medical expenses via the claims process.

IPA says it hasn't been in a position to process the claim as it hasn't received all the necessary documentation. Mr W says he provided the cost estimations to IPA on 5 July 2023. But rather than the estimates of what the in-patient treatment would have cost, we are now talking about the actual expenses incurred by Mr W for initial and follow up tests. IPA's final response letter of 27 August 2023 explained how Mr W could submit any receipts to its claims team.

Returning to the circumstances of 5 to 8 July 2023, it would undoubtedly have been a very stressful time for Mr W. He was feeling very unwell and looked to IPA for support and advice, which was not forthcoming. As it was, he paid for some treatment himself but didn't want to be admitted without a guarantee that IPA would cover the costs. So, he was left to fend for himself back at his accommodation.

As an informal dispute resolution service, the awards we make are more modest than Mr W might expect or what a court might award. Again, I've thought very carefully about what Mr W has said but, overall, I agree with our investigator that £250 is reasonable compensation for the distress and inconvenience caused.

My final decision

For the reasons set out above, I uphold the complaint. Inter Partner Assistance SA should pay Mr W £250 compensation for distress and inconvenience.

Inter Partner Assistance SA should also consider Mr W's claim in line with the remaining policy terms and conditions. Mr W should contact it for clarification on what additional documents are required.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 7 March 2024.

Carole Clark
Ombudsman