

The complaint

Miss G complains that AXA Insurance UK Plc has turned down a medical expenses claim she made on a travel insurance policy.

What happened

The background to this complaint is well-known to both parties. So I've set out a summary of what I think are the key events.

On 13 June 2023, Miss G took out a single trip insurance policy through a broker I'll call C. The policy was underwritten by AXA and designed to provide cover for a trip to a country I'll call U, from 14 June until 24 June 2023.

Unfortunately, while Miss G was abroad, she became unwell and was admitted to hospital. She made a claim on the policy.

AXA looked into Miss G's claim. It noted that Miss G hadn't been flying back to the UK from U – instead, she'd been flying on to another country, which I'll call A. And Miss G hadn't had a return flight to the UK booked. Instead, she'd planned to return at some point in 2024. On that basis, AXA concluded that Miss G's holiday didn't fall within the policy definition of a trip. So it didn't think the claim was covered by the policy terms and it turned it down. And it didn't think the policy had been appropriate for her. Therefore, it offered to refund Miss G's premium.

Miss G was unhappy with AXA's decision and she asked us to look into her complaint. She said she'd received medical treatment in U during the relevant period of cover. So she thought AXA had chosen to decline her claim on a technicality. Nor did she think the policy terms had been made clear enough when she took out the policy.

Our investigator didn't think Miss G's complaint should be upheld. He was satisfied that Miss G's holiday didn't fall within AXA's definition of a trip and that her travel plans weren't restricted to the area AXA had agreed to insure. Therefore, he thought it had been fair for AXA to conclude that Miss G's claim wasn't covered. And he felt its offer to refund her premium had been fair and reasonable.

Miss G disagreed and so the complaint's been 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.

Having done so, whilst I'm sorry to disappoint Miss G, I don't think it was unfair for AXA to turn down her claim and I'll explain why.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So I've considered, amongst other things, the policy terms and the circumstances of Miss G's claim, to decide whether I think AXA

treated her fairly.

I've first considered the policy terms and conditions, as these form the basis of the contract between Miss G and AXA. Miss G made a medical expenses claim on the policy. Section B of the policy sets out the medical expenses cover AXA provides. This says:

'We will pay you up to the amount shown in the schedule of benefits for the following expenses which are necessarily incurred during a trip but not covered by any reciprocal health agreement, as a result of you suffering unforeseen bodily injury, illness, disease and/or compulsory quarantine:

- 1. Emergency medical, surgical, hospital, ambulance and nursing fees and charges incurred outside of your home area.'*

In my view, the policy makes it clear that, in certain circumstances, AXA will cover medical expenses a policyholder incurs on a trip. AXA's meaning of the word 'trip' has been defined in the policy terms and conditions. There's no dispute that Miss G was admitted to hospital due to illness while she was abroad in U. However, page 11 of the contract sets out the following definition of 'trip':

*'any holiday, pleasure trip or journey made by you within the area of travel shown in the schedule **which begins and ends in your home area during the period of insurance**, but excluding one way trips or journeys.* (My emphasis added).

Miss G's policy schedule shows that she opted for single trip cover during the period 14 to 24 June 2023. But Miss G's trip wasn't due to begin and end in the UK (her home area) during the period of insurance she chose. Instead, Miss G was planning to fly from U to A and to stay there until some time during 2024. She didn't have a return journey booked.

On that basis, I don't think it was unfair for AXA to have concluded that Miss G's holiday didn't meet the policy definition of trip. So it follows that I don't find it was unfair for AXA to conclude that Miss G's medical expenses weren't covered by the policy terms and conditions.

It's clear Miss G strongly feels that as her medical expenses were incurred in U during the insured period, AXA has turned down her claim on a technicality. I've thought about whether it would be fair and reasonable for me to direct AXA to step away from a strict interpretation of the policy terms. But in the specific circumstances of this complaint, I don't think it would. That's because I note - from Miss G's flight itinerary - that she flew from A to the UK in mid-May 2023 for a few weeks, travelled on to U on 14 June 2023 and then back to A on 22 June 2023. And I note too that the treating hospital in U recorded Miss G's address as being in A, rather than in the UK. So it isn't at all clear that Miss G's main trip was from the UK to U - it seems more likely she was travelling to and from A with scheduled stops in the UK and U - and significantly outside the insured period.

And in my view, if AXA had been aware of the overall nature of Miss G's trip, it wouldn't have agreed to provide cover under this particular type of policy - or indeed, under an annual multi-trip policy either. Instead, I think Miss G is likely to have required a specialist backpacker policy which is likely to have attracted a higher premium than the price she paid. The circumstances of Miss G's trip simply weren't covered by the terms of this policy. And on that basis, whilst I'm sorry to disappoint Miss G, I don't think it was unfair for AXA to turn down her medical expenses claim.

AXA has offered to refund the premium Miss G paid for the policy, given it accepts the contract wasn't appropriate for her. In my view, this was a very fair offer. It remains open to

Miss G to contact AXA to take-up this refund offer should she now choose to do so.

Miss G also raised concerns about the information she was given about the policy at the point of sale. But AXA didn't sell Miss G the contract – it was sold by a broker – C. So AXA isn't responsible for the sale of the policy or the way information was presented to Miss G at that point. If Miss G feels she was provided with unclear or misleading information during the sales process, it's open to her to make a complaint to C about the sale of the policy.

Overall, whilst I sympathise with Miss G's position, I don't find AXA has treated her unfairly.

My final decision

For the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 16 May 2024.

Lisa Barham
Ombudsman