

The complaint

Miss H and Mr S have complained that Inter Partner Assistance SA ('IPA') unfairly declined their claim.

What happened

Miss H and Mr S had a travel insurance policy, underwritten by IPA.

They travelled abroad when Miss H became unwell. After a short stay in hospital and some tests, Miss H was discharged. They travelled to the airport to return home on their planned departure date. But Miss H felt unwell again at the airport and so they returned to their hotel and extended their stay by two more days.

Miss H and Mr S made a claim for the additional accommodation and flight costs as well as medical costs and taxi fares. But IPA declined the claim on the basis that their extended stay wasn't medically necessary.

Miss H and Mr S complained and unhappy with IPA's response, referred their complaint to the Financial Ombudsman Service.

Our investigator looked into the complaint and found that IPA had fairly declined the claim for the additional accommodation and flights but should have paid the medical costs and taxi fare. She also recommended £100 compensation for the poorly handled claim and delays.

IPA accepted the recommendation, but Miss H and Mr S disagreed. In summary, they made the following comments:

- Miss H wasn't told she was fit to fly. The doctor said it was their choice. They went to the hospital the night before their flight and they have proof of this. But when they arrived at the airport, Miss H was physically unable to get on the plane.
- IPA had told them they were covered financially for any costs incurred on flights.
- They didn't realise they needed to check back with the hospital as the reason was obvious and due to sickness. As the hotel was next to the airport, they asked them to extend their stay until they felt well enough to fly. They were under the assumption they were covered by the insurance so they booked the fastest flight back.

As an agreement couldn't be reached, 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 think this complaint should be upheld, in part. 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 say IPA will pay: *"Emergency medical, surgical, hospital, ambulance and medical fees and charges outside of your home area...cost of taxi fares ...additional transport and/or accommodation expenses incurred, up to the standard of your original booking, if it is medically necessary for you to stay beyond your scheduled return date."*
- Hospital and medical expenses – IPA were provided with the necessary evidence to show the cost of the taxi fare and hospital bill so I agree that IPA should pay this, in line with the remaining terms and conditions of the policy.
- Compensation – Our investigator also said IPA should pay £100 compensation for the poor service Mr S and Miss H received as Mr S had to chase the claims department on a number of occasions. And although IPA said a decision would be made in November, this wasn't done until a month later. This would have caused stress and inconvenience to Mr S and Miss H. I think £100 compensation is appropriate due to the limited impact this had. It wasn't a long-lasting issue overall. Our compensation award bands for distress and inconvenience can be found on our website.
- Additional flights and accommodation – Mr S and Miss H also claimed for an extended stay as they said that when they reached the airport to return home, Miss H was too unwell to fly and so they booked new flights and stayed in the hotel for an additional two days. But I think the policy terms are clear that additional transport and accommodation will only be covered if medically necessary. I would expect to see medical evidence, such as a doctor's report to show that Miss H was too unwell to return on her original flight and that the extended stay was necessary. As she didn't seek further medical assistance, there is no medical evidence to show that the extended stay was medically necessary. And so I don't think IPA unfairly turned this part of the claim down.
- Mr S has said Miss H wasn't told she was fit to fly - they were told it was their choice. As the doctor discharged Miss H and said it was her choice, I am satisfied there was no medical reason why Miss H couldn't fly.
- Mr S says he was told his insurance would be automatically extended as they had to remain abroad due to reasons beyond their control. Although the insurer said the insurance would extend, Mr S and Miss H would still need to provide the relevant evidence as set out in the policy to be eligible for benefit. IPA didn't say the policy was invalid, it said it needed evidence to show that the extended stay was medically necessary.
- Mr S and Miss H say Miss H was physically unable to get on the plane. In this case I think it's reasonable to expect Miss H to have sought further medical assistance for treatment and advice about when she should fly.
- In summary, I think the terms are clear that the extended stay has to be medically necessary. So although Mr H and Miss S were under the impression they were covered for all costs and they could decide to stay longer and amend their flights, the policy is clear. This isn't an unusual term and most insurers will require evidence to show that an extended stay and amending travel arrangements were medically necessary. So I don't uphold this element of their complaint.

My final decision

For the reasons set out above, I partially uphold this complaint and direct Inter Partner Assistance SA to:

- Pay the medical and taxi expenses claimed.
- Pay a total of £100 compensation to Miss H and Mr S for the stress and frustration caused due to the way the claim was handled.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H and Mr S to accept or reject my decision before 18 June 2024.

Shamaila Hussain
Ombudsman