DRN-4878222

Financial Ombudsman Service

The complaint

Mrs P complains about the way Great Lakes Insurance UK Limited handled a medical assistance claim she made on a travel insurance policy.

Mrs P's represented by Mr P.

What happened

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

Mrs P was abroad on holiday. Unfortunately, she became unwell and saw a local doctor. So on 14 January 2023, Mr P got in touch with Great Lakes' medical assistance company to make a claim on Mrs P's behalf. The call handler told Mr P he'd need to send it copies of Mrs P's medical report and her flight details. The call handler sent Mr P an email setting out the information Great Lakes would need, along with a fit to fly form.

A short while later, Mr P called the assistance company back. He explained that Mrs P was going to hospital. The call handler told him that the hospital Mrs P was planning to visit was 'neutral' and gave him the name of a hospital in the same city which it did recognise. They reiterated the information it would need from Mr P to move forward with the claim.

On 28 January 2023, Mr P got back in touch with the assistance company. He said that Mrs P's treating doctor had concerns that she wouldn't be fit to fly on her planned return date and that she was returning for more tests. The assistance company again told Mr P to send a copy of the medical report.

Subsequently, on 31 January 2023, Mr P sent the medical assistance team a copy of Mrs P's medical report. This indicated that she'd suffered a stroke. The assistance company's medical team reviewed the report and concluded that Mrs P had likely suffered the stroke on or around 14 January 2023 and that she was fit to fly, business class, with a non-medical escort.

Mr P was unhappy with the assistance company's position, as he didn't think she was fit to fly. He felt the assistance company had disregarded the opinion of Mrs P's treating doctor. So he called back on 1 February 2023. However, Mr P was also concerned that Mrs P had run out of funds and he questioned how she would be able to pay for new flights

The assistance company told Mr P that if Mrs P needed business class flights, it could help with that. So it asked Mr P for some more information about Mrs P's flight bookings and the escort's tickets. On 7 February 2023, having reviewed the flight information and calculated flight costs, the assistance company referred Mrs P's claim to Great Lakes for authorisation. That's because it said the claim value exceeded its authority. Great Lakes stated that it required Mrs P's medical history from her GP before it would confirm cover.

So, that day, the assistance company sent Mr P a copy of a medical consent form for completion. While Mr P sent back most of the form, the GP information page was missing.

So the assistance company had to ask for this to be resent. It also noted that Mrs P had ticked a box to say she wanted to see a copy of her medical records before they were sent to Great Lakes, which could cause a delay of between a couple of days and a few weeks.

Mr P was very unhappy with the way Mrs P's claim had been handled and the delays in arranging Mrs P's repatriation. He felt Great Lakes had requested information in a piecemeal way and that it had deliberately sought to place hurdles in the way to stop the claim being paid. He also considered Mrs P was a vulnerable person and that Great Lakes had breached its regulatory obligations when dealing with her claim.

Ultimately, Mrs P's consent to obtain her medical records was withdrawn. And Mrs P returned to the UK on an economy flight on a self-pay basis. This meant that neither Mrs P's medical costs nor repatriation costs were paid by Great Lakes.

Great Lakes considered that the assistance company had handled much of the claim in line with its process and that it had provided Mr P with correct information throughout the life of the claim. And it felt that many of the delays had been caused by Mr P not sending a medical report upfront. However, it acknowledged that there had been some gaps in the service it had provided and so it paid £150 compensation.

Mr P remained unhappy with Great Lakes' position and he asked us to look into this complaint.

Our investigator thought Great Lakes had treated Mrs P fairly. He considered it was standard procedure for an insurer to require a medical report and that Great Lakes hadn't been in a position to move the claim forward without it.

I issued a provisional decision on 12 June 2024 which explained the reasons why I intended to direct Great Lakes to pay Mrs P total compensation of £300. I said:

'First, I'd like to reassure Mrs P and Mr P that while I've summarised the background to this complaint and Mr P's detailed submissions to us, I've carefully considered all that's been said and sent. I was very sorry to hear about Mrs P's illness abroad and I appreciate what a distressing situation this was for Mrs P and her family. In this decision though, I haven't commented on each point that's been raised and nor do our rules require me to. That approach reflects our role of a quick and informal alternative to the courts.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. I've taken those rules into account, amongst other regulatory principles and considerations, when deciding whether I think Great Lakes treated Mrs P fairly.

I've first considered the policy terms and conditions, as these form the basis of the contract between Mrs P and Great Lakes. As Mrs P was treated in hospital for a stroke, I think it was reasonable and appropriate for Great Lakes to consider the claim under the 'Emergency Medical & Repatriation Expenses' section of the policy. This section of the contract includes cover for the following:

'a) medical expenses (including transportation to the nearest suitable hospital) for the immediate needs of an unforeseen medical emergency, when deemed necessary by a recognised doctor and agreed by our medical officer;

d) additional travelling costs to repatriate you home when recommended by our medical officer;

e) the cost of a medical escort if considered necessary by our medical officer.

f) up to £2,000 for you to extend your stay, if The Assistance Team agrees that it is medically necessary for:

> *extra accommodation (room only) and travel expenses (economy class travel unless an upgrade is deemed to be medically necessary and this is authorised by The Assistance Team) to allow you to return to your home country.'*

In my view, Great Lakes' policy terms make it sufficiently clear that in order for cover to apply, a policyholder's medical and repatriation expenses must be considered necessary by a) the treating doctor and b) Great Lakes' medical officer. In my experience, most, if not all, travel insurers require a medical report from a policyholder's treating doctor before they can move a claim forwards. That's to allow an insurer's medical staff to assess a policyholder's condition; whether they're receiving appropriate care and whether repatriation to the UK is medically necessary. So I don't think it was unfair or unreasonable for Great Lakes to require a medical report showing Mrs P's diagnosis and health before it could progress or validate her claim.

I asked Great Lakes to provide me with copies of calls between its assistance company and Mr P. It's provided me with 11 calls and I can confirm that I have listened to each of them. Mr P first contacted the assistance company on 14 January 2023 and explained the situation. I appreciate Mr P raised concerns about Great Lakes' request for Mrs P to give it authority to speak with him on her behalf. But I don't think this was an unreasonable request, given Mrs P was in a position to give such consent and given Mr P was seeking to discuss Mrs P's personal medical information. This consent allowed Mr P to handle the claim on Mrs P's behalf without the need for Great Lakes to make further contact with her.

It seems that on 14 January 2023; Mrs P had visited a local doctor with symptoms of vomiting. During the call, the call handler correctly told Mr P that he'd need to send a medical report and Mrs P's flight details. They followed this up with an email request setting out exactly what information Great Lakes would need to validate the claim. And when Mr P called back later that day, the call handler provided him with details of a hospital it 'recognised' that Mrs P could visit. They also correctly explained what Mr P would need to do if Mrs P opted to attend the 'neutral' hospital it didn't recognise. At the outset then, I'm satisfied Great Lakes gave Mr P clear and accurate information which would allow it to move the claim along.

Having considered all the evidence, it appears Mrs P attended the non-recognised hospital and was admitted for treatment. It was there that she was diagnosed as having had a stroke. However, Great Lakes' records show that Mr P didn't get back in touch with the assistance company again until 28 January 2023 – two weeks later. In the absence of information about what hospital Mrs P was in or evidence of her diagnosis and treatment, I don't think Great Lakes could reasonably have contacted the hospital to ask for information. With that said though, it seems to me that Great Lakes could have proactively contacted Mr P to ask for an update on Mrs P's health – especially as it was aware that she was going back to hospital with worrying symptoms.

During the call of 28 January 2023, Great Lakes asked Mr P again for a medical report. I'd reiterate that this was the correct process. But Mr P didn't send the medical report to Great Lakes until three days later on 31 January 2023. This indicated that Mrs P had had a stroke and Mr P stated that the doctor felt Mrs P wasn't fit to fly. Great Lakes referred the report to its medical team – which I think was a fair and appropriate step for it to take. The medical team didn't agree that Mrs P wasn't fit to fly. Instead, it felt that given it seemed her stroke had happened around two weeks earlier, she likely was fit to fly, in line with International Air Transport Association guidelines. It concluded, taking into account Mr P's report of Mrs P's condition, that she would be fit to fly in business class, with a non-medical escort and with

ground transfers.

Initially, Mr P had clear concerns about the medical team's conclusions. Given the treating doctor's conclusions, I can understand why Mr P was worried that Mrs P wasn't fit to travel. But having listened to the calls, Mr P quickly became concerned about Mrs P's ability to fund remaining abroad and became keen for her to be repatriated to the UK. So it appears he went on to accept that Mrs P could be repatriated in line with Great Lakes' recommendations.

It seems, from Great Lakes' notes, that on 5 February 2023, the assistance company noted that Mrs P's case might be high cost and that it therefore might be required to refer to Great Lakes for authorisation. It isn't clear, given the recommendations that had been made earlier, why it took a few days for the assistance company to reach this conclusion. It seems to me that once it was aware that Mrs P would need business class seats and a non-medical escort, along with her medical expenses, there was a real possibility that the claim could exceed a certain threshold. As such, I think the assistance company could have indicated to Mr P some days earlier than it did that a referral might be needed and the type of information Great Lakes might want to see before the claim was validated.

Instead, this didn't happen. Mr P was told that Great Lakes would assist with Mrs P being repatriated. And the referral wasn't ultimately made until 7 February 2023 – a further two days later. It was at this point that Mr P was made aware of the need to obtain Mrs P's medical records and that her claim couldn't be progressed until they'd been received and assessed. As I've said, I think Great Lakes could have given Mr P this information at least a few days earlier than it did.

I don't think it was unreasonable for Great Lakes to have requested Mrs P's medical history. This is often standard procedure in the validation of medical assistance and repatriation claims. But I don't think Great Lakes handled Mr P (and therefore, Mrs P's) expectations well or properly. They were led to believe that Great Lakes would arrange repatriation and then learned that this was subject to potentially significant further delay. While Great Lakes wasn't responsible for Mrs P opting to have the records sent to her ahead of Great Lakes or for the omission of a page of the consent form, I do think it caused Mrs P unnecessary frustration and upset when she learned that the claim couldn't progress as quickly as I think she'd been led to believe it would.

Nor do I think Great Lakes proactively provided Mr P (and therefore, Mrs P) with updates. The evidence indicates to me that the majority of contact with Great Lakes was down to Mr P regularly calling to chase things along and emailing Great Lakes. I don't think Great Lakes is responsible for all of the delays in the handling of the claim, but I do think the lack of meaningful updates and the failure to acknowledge that the claim might be referred was likely to have caused Mrs P additional worry and stress.

So I need to think about what fair redress should be. Great Lakes has already paid £150 for gaps in its service. But I don't think this goes far enough. Mrs P was a vulnerable person, abroad and she'd suffered a serious illness. It's also clear that she had little money and that returning to the UK was important to her. And I think Great Lakes could have done more to make the claims journey easier for her – such as acknowledging the chance of the claim being referred; the possibility that medical records might be requested; that repatriation cover wasn't guaranteed and being more proactive in its contact with Mr P. So in my view, total compensation of £300 (less the £150 it's already paid) is a fair, reasonable and proportionate award to recognise the material distress and inconvenience I think Mrs P was likely caused by Great Lakes' actions.

I appreciate Mr P feels Great Lakes was responsible for Mrs P returning on an economy

flight and that it should have simply removed the non-medical escort from the costings to bring the claim back under the referral threshold. However, I don't think Great Lakes' position here was unreasonable. I say that because a medical team had assessed Mrs P as needing a non-medical escort with her in business class to support her. And so I think it would have been entirely inappropriate for it to have acted outside of its medical team's advice.

Overall, I do think Great Lakes made some mistakes in its handling of this claim and that it did cause Mrs P some material trouble and upset at a time when she'd suffered a serious illness and was in a vulnerable situation. So I intend to direct Great Lakes to pay her £300 compensation in total to reflect this.

Currently, it doesn't appear that Mrs P has made a formal claim for her medical expenses or her repatriation costs. It remains open to her to do so if she'd like Great Lakes to consider this claim further. However, Great Lakes has told us that before it can assess her claim, it will need a copy of Mrs P's medical records. So Mrs P would need to provide consent for Great Lakes to make such a request to her GP before it can consider Mrs P's costs.'

I asked both parties to provide me with any further evidence they wanted me to consider.

Great Lakes accepted my provisional decision.

Mr P disagreed on Mrs P's behalf. He asked for an extension to respond, which I provided. However, he responded before that date. In summary, he said that my response was disappointing as well as dejecting. He stated that this wasn't just in relation to the derisory award of £300 but also the insidious tactics this service was using against an ordinary consumer. He told us he'd spent countless hours in seeking a fair outcome, only to be met with our appalling conduct and disregard.

He said that since Mrs P's return to the UK, her health had deteriorated rapidly and that the return flight she'd been forced to endure due to Great Lakes' reliance on a vague clause significantly worsened her already fragile condition. He said he had reviewed my provisional decision but hadn't had an opportunity to challenge my points. But he said that he didn't accept my stance as he didn't trust this service. He felt we had shown a lack of sympathy or empathy towards Mrs P. He felt we'd ignored the regulator's principles on treating customers fairly and on dealing with vulnerable people. He asked for the next stage of escalation, stating that financial compensation was no longer his primary concern.

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 Mrs P, I still think the fair outcome to this complaint is for Great Lakes to pay her total compensation of £300.

I'd like to reassure Mr P that I've carefully considered the further submissions he's made. I appreciate he has concerns about the service he's received from us and the way our investigator looked into things. However, my decision addresses whether I think Great Lakes, as Mrs P's insurer, handled her medical expenses claim fairly and reasonably.

It's also important that I make clear that we're not the industry regulator. We have no power to tell a financial business to change the way it operates or to make punitive awards of compensation.

As I explained in my provisional decision, I have taken into account the regulator's rules and principles (amongst other relevant considerations) when deciding what I think the fair outcome to this complaint should be. I made reference to the fact that I thought Great Lakes ought to have been more proactive in its dealings with Mrs P (and her representatives) given she was a vulnerable person abroad. I set out why I thought it could have pointed out the potential referral process a few days earlier than it did to manage Mrs P's expectations. I also explained why I felt its failures here had caused Mrs P additional trouble and upset at an already very worrying time. And that was the reason why I provisionally decided that Great Lakes should increase the compensation it had already offered Mrs P.

It remains the case though that I don't think all of the delays were down to Great Lakes. As I've set out, until it received a medical report, it wasn't in a position to assess what Mrs P's condition was; what treatment she was receiving and review if that treatment was appropriate. And it isn't unusual for a travel insurer to require a policyholder's medical records before it confirms cover.

I understand Mr P feels that Mrs P's health worsened following her return flight. I'm sorry to hear about the deterioration in Mrs P's condition and about her recent poor health. But I don't think I could fairly or reasonably hold Great Lakes responsible for the family's decision to repatriate Mrs P on an economy flight rather than wait for it to obtain her records and validate the claim.

Overall, I'm still satisfied that the fair outcome in this case is for Great Lakes to pay Mrs P total compensation of £300. I was pleased to see that Great Lakes has agreed with my provisional decision.

My final decision

For the reasons I've given above and in my provisional decision, my final decision is that I uphold this complaint.

I direct Great Lakes Insurance UK Limited to pay Mrs P total compensation of £300 (less the £150 it's already paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 13 August 2024.

Lisa Barham
Ombudsman