

The complaint

Mr J and Mr K are unhappy with how Inter Partner Assistance SA (IPA) handled their travel insurance claim.

What happened

Mr J and Mr K took out a single trip travel insurance policy which started on 16 April 2024 and ended on 3 May 2024. IPA is the underwriter on the policy.

Mr J and Mr K departed on their trip and had a stopover before reaching their destination. At the stopover, Mr J and Mr K's flight was delayed for around 12 hours. And once they reached their destination, their baggage was delayed, and Mr K's medication was lost by the airline. This was an injection which Mr K asked the airline to look after until they'd arrived at their destination. Mr K was due to take the injection while he was away. Mr J and Mr K had further issues with the airline where there was no wheelchair provided or somewhere to rest due to his medical condition.

Mr K contacted IPA to seek assistance to obtain a replacement injection at the destination. However, there were issues with communication between IPA and the hospital and Mr K had to pay for a consultation and the medication. So, he requested IPA to send him the money. IPA advised Mr K to pay for the medication and he could submit a claim later.

Mr K says he didn't take the injection as he needed to and upon his return to the UK, he submitted a claim and made a complaint to IPA.

IPA reviewed the claim and the complaint. It accepted the service it provided could have been better and apologised. It also offered Mr J and Mr K £450 for the distress and inconvenience caused to them.

Unhappy, Mr J and Mr K brought their complaint to this service. Our investigator didn't uphold it. He agreed the service IPA provided could have been better but said that IPA accepted this, and the £450 offer of compensation was fair and reasonable in the circumstances.

Mr J and Mr K disagreed and asked for the complaint to be referred to an ombudsman. So, it's been passed to me.

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 guidelines say that insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules into account when deciding what I think is fair and reasonable in the circumstances of Mr J and Mr K's complaint.

At the outset, I acknowledge that the situation was difficult to experience and I'm sorry that Mr J and Mr K had to go through this.

I also understand that within this complaint, Mr J and Mr K have also expressed their dissatisfaction with how the airline and hospital treated them. But to be clear, this isn't something I can look at as this complaint is about IPA only. And Mr J and Mrs K made a separate claim with IPA for the delayed flight and luggage.

So, the key issue for me to determine is whether I think the £450 compensation offered by IPA is fair and reasonable in the circumstances of this complaint.

I've reviewed the information provided to me by both parties. I can see that IPA failed in its communication to Mr J and Mr K. When Mr K contacted IPA, his claim for replacing his medication wasn't covered under his policy. But IPA failed to communicate this to Mr K, and he was left to believe help would be forthcoming.

Between 17 April 2024 and 21 April 2024, Mr J and Mr K contacted IPA several times to get support in relation to obtaining replacement medication. Mr J and Mr K didn't receive returned calls and they tried emailing to inform IPA of Mr K's medical condition. I understand IPA informed Mr K on 21 April 2024 that he wouldn't be covered for the cost of the replacement medication, but he didn't accept this. So, IPA agreed to review cover again, but it needed Mr K's medical history. In between, Mr J and Mr K's luggage had been returned by the airline and they returned to the UK as planned on 3 May 2024. Mr K didn't take his injection until he returned.

I agree that IPA's communication was poor. Whilst IPA did eventually inform Mr K that he didn't have cover on his policy for the replacement medication, I think its handling of this and explaining the process for this could have been better.

Having thought about what Mr J and Mr K have said, I consider that £450 is fair and reasonable compensation for the distress and inconvenience caused. Making an insurance claim inevitably involves an element of inconvenience for the policyholder. I have considered that IPA didn't always handle this claim as well as it ought to have but I've also noted that it accepted this and apologised to Mr J and Mr K. There are elements of what happened as a result of the hospital and the airline, and I can't therefore hold IPA responsible for those elements. I'm satisfied that IPA provided inadequate customer service, with poor communication and unnecessary delay.

As mentioned above, the matter at hand is what would be an appropriate level of compensation. In response to the investigator's complaint, Mr J and Mr K talked about £450 compensation being an insufficient amount. However, it is not our role to punish the business. Awards of compensation are primarily to reflect the impact on the consumer. Whilst I acknowledge the situation was difficult, I think the compensation offered is a fair reflection of the impact to Mr J and Mr K. I have a great deal of sympathy for the situation Mr J and Mr K found themselves in. And I can understand why they believe they should receive a more significant amount for the distress and inconvenience they have suffered. However, as an alternative dispute resolution service, our awards are lower than they might expect and probably less than a court might award.

Having thought carefully about what Mr J and Mr K have said, overall, I think £450 is fair and reasonable compensation for what happened. If IPA hasn't already paid Mr J and Mr K this amount, then it should do so directly.

My final decision

For the reasons given above, I don't uphold Mr J and Mr K's complaint about Inter Partner Assistance SA.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J and Mr K to accept or reject my decision before 13 January 2025.

Nimisha Radia
Ombudsman