

## **complaint**

Mrs D and Mr E's complaint is about AXA Insurance UK Plc's settlement of their medical expenses claim under their travel insurance policy.

Mrs D and Mr E are also dissatisfied with the level of service provided by AXA.

## **background**

Mrs D and her two children were on holiday in a European country when one of the children fell and broke his leg.

Mrs D's son was transported to hospital by a rescue helicopter. Whilst Mrs D's son was in hospital she tried to contact AXA and discuss repatriation arrangements without success. There is dispute as to why AXA and Mrs D were not able to speak to each other during that four day period. Following her son's discharge from hospital Mrs D spoke to AXA about the possibility of her son's repatriation by aeroplane. AXA said that as it had not yet received the medical report from the hospital it could not guarantee cover for a flight. As no cover had been confirmed Mrs D asked her mother, with who she was staying, to drive her and her children back to the UK.

On her return Mrs D and Mr E complained to AXA. AXA confirmed that it would meet the medical expenses including the costs of the rescue helicopter. AXA paid £200 hospital benefit for Mrs D's son's period of hospitalisation. It also offered £50 for its poor service in not returning Mrs D's telephone call but it did not accept that it had failed to keep Mrs D adequately informed.

Mrs D and Mr E referred their complaint to this service. As they continued to receive chasing letters from the hospital and rescue service they sought assurance that AXA had paid those bills. They also said AXA should pay the costs that had been incurred in Mrs D's mother driving the family back to the UK and compensation for AXA's poor service.

The adjudicator recommended the complaint be upheld. She considered that AXA should settle the outstanding medical and rescue service costs as it had agreed to do. She also considered that Mrs D had mitigated the costs AXA would have paid for repatriation so it should meet the costs of Mrs D's mother's return journey. She suggested that the hospital benefit be increased to reflect the period Mrs D's son was confined to Mrs D's mother's home. She also recommended AXA pay £500 compensation for the distress and inconvenience caused by its poor service.

AXA disagreed. It had not settled the outstanding bills because it understood that as a complaint on the issue had been referred to this service payment would complicate matters. It agreed to meet Mrs D's mother's travel costs but subsequently said this would be for the trip to the UK only and not the return as the cover for the trip ended on the return to the UK. AXA said that on discharge from hospital Mrs D's son was fit to travel and he remained at Mrs D's mother's accommodation due to family choice not medical necessity. It said it was unable to obtain the medical report sooner as the hospital had been unhelpful and Mr E had rejected its suggestion that Mrs D assist with obtaining the report. In its view it did keep Mrs D and Mr E informed of the situation and had experienced difficulties in contacting Mrs D which is why it had sent her a text saying she should contact it to arrange a flight.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

The issues I need to decide are whether:

- AXA should have delayed payment of the hospital and rescue service bills
- the remainder of the claim has been correctly settled
- AXA's service was such that Mrs D and Mr E were reasonably entitled to expect.

### hospital and rescue service bills

There was no reason for AXA to delay paying these bills because a complaint had been referred to this service. AXA confirmed to Mrs D and Mr E that it would meet these costs and its liability for these costs was not at issue. The delay caused Mrs D to receive further chasing letters from the service providers resulting in her having to communicate with them causing unnecessary inconvenience. For the avoidance of doubt, AXA should pay any outstanding medical and rescue service bills that it agreed to pay.

### repatriation costs

AXA accept that had contact been established with Mrs D prior to repatriation it would have arranged for repatriation by aeroplane. It has not challenged the adjudicator's assertion that the cost of the return journey by car was less than the cost that would have been incurred for a one way flight to the UK. Therefore I am satisfied that Mrs D mitigated AXA's costs by arranging repatriation by car and it is fair and reasonable for AXA to meet the travel costs of the car journey both ways. The journey, to the UK and return, only happened because repatriation was not arranged by AXA.

### hospital benefit

The policy provides that this benefit is paid if:

*"You have to stay in hospital...or are confined to your accommodation due to your compulsory quarantine or on the orders of your medical practitioner outside your home area".*

In the medical report from the treating hospital there is no requirement that Mrs D's son be confined to Mrs D's mother's accommodation on discharge. I note the report states he will go to his grandmothers to recuperate but it also refers to him being mobile. As any additional payment of this benefit would be subject to the remaining policy terms Mrs D and Mr E would have to provide evidence that the treating doctor required Mrs D's son to be confined to the accommodation.

### AXA's service

It is clear that Mrs D and AXA had difficulty in contacting each other during the period Mrs D's son was in hospital. I accept that AXA made attempts to contact Mrs D but the contact was not received by Mrs D. Mrs D's main concern was the repatriation arrangements. Overall, I consider that AXA could have been more proactive in chasing the medical report from the hospital.

As AXA had not been able to speak to Mrs D direct it could have contacted Mr E to make the repatriation arrangements or at least ask him that Mrs D make contact with it. As a result of the failure to make contact Mrs D's son had to undergo a lengthy drive through Europe which given his injury would have resulted in significant additional distress and inconvenience for Mrs D and her son compared to a short flight.

I am satisfied that compensation is payable for AXA's poor service. In assessing the amount payable I have considered the actual distress and inconvenience caused and the range of issues that arose with AXA's service. In addition to the distress and inconvenience around the repatriation Mrs D and Mr E have been worried and inconvenienced by chasing letters for outstanding costs from the hospital and rescue services which AXA should have paid. There have also been some minor administrative errors by AXA. In deciding the level of payment I am particularly mindful of the considerable distress and inconvenience caused by the repatriation by car which could have been avoided by better communication by AXA. Overall I consider that a payment of £500 is appropriate.

### **my final decision**

My final decision is that I uphold this complaint.

I direct AXA Insurance UK Plc to:

- pay any outstanding medical and rescue service expenses that it had agreed to meet.
- meet the travel costs of the return car journey that repatriated Mrs D's son. Interest should be added at 8% simple per annum from the date of claim until the date of settlement (less tax if deductible).
- assess any additional payment for Mrs D's son's hospital benefit subject to the remaining terms of the policy.
- pay Mrs D and Mr E £500 compensation for the distress and inconvenience caused by its poor service.

Nicola Sisk  
**ombudsman**