

The complaint

Mrs D and Mrs M complain that Euroins AD didn't allow them to amend their travel insurance policy.

What happened

Mrs D and Mrs M took out a single trip travel insurance policy on 28 March 2022 to cover a trip between 2 and 9 September 2022. The policy was underwritten by Euroins AD. Any reference to Euroins includes the actions of its agents.

Mrs D and Mrs M's flights were changed by the travel operator to depart from another city, which they weren't happy with. So, Mrs D and Mrs M rearranged their holiday to take place between 13 and 20 September 2022 instead so that they could travel from their original point of departure.

Mrs M was diagnosed with a heart condition and she was referred for some tests. These were due to take place on 8 September 2022. Mrs D and Mrs M got in touch with Euroins around 5 August 2022 to let it know of the change in their holiday dates, as well as the new condition Mrs M had and the appointment she'd booked.

Mrs D and Mrs M say that Euroins said it wouldn't provide cover for the new condition as Mrs M was waiting for tests. But otherwise, it would continue to provide cover as long as Mrs D and Mrs M travelled within the original dates. But as the holiday dates had already been changed, Mrs D and Mrs M weren't happy with this.

Mrs M says she then asked to be taken off the policy and for Mrs D to remain as the only one insured for the new holiday dates. But she says Euroins didn't allow this change either. Mrs D and Mrs M then tried to cancel their policy, but as they were outside the 14 day cooling off period, they say Euroins refused a refund on the policy.

In the end, Mrs D and Mrs M both took out new policies with other insurers to cover the holiday. But they weren't happy that they had to do so. So, they brought a complaint to our service after not receiving a response from Euroins.

One of our investigators looked into what had happened. She said that she hadn't seen any underwriting evidence to support that it was reasonable for Euroins to decline to amend the travel dates on Mrs D and Mrs M's policy, or that it couldn't provide cover for the new medical condition, even with an additional premium. Without this evidence, our investigator thought it would be fair and reasonable for Euroins to refund the premium Mrs D and Mrs M paid plus 8% simple interest from the date of the request to amend the policy until date of settlement. She also thought Euroins should pay Mrs D and Mrs M £200 for the distress and inconvenience caused.

Euroins says that a policyholder will be ineligible for cover if they are awaiting the outcome of investigations. It says that the terms and conditions relating to health conditions are under a heading "Important Health Requirements For All Insured Persons". It says this would apply at the inception of cover, or as in this case, if a mid-term adjustment is required.

As no agreement was reached, the complaint was passed to me to decide. There had been some confusion as to who was responsible for this complaint. Euroins confirmed it was the underwriter of the policy, and that the policy administrator who had corresponded with us about this complaint was authorised to handle complaints on its behalf. But due to the confusion, I issued a provisional decision in August 2023 to give both parties one more chance to provide any information or evidence they wanted me to consider before I issued my final decision. Here's what I said in that decision:

"Euroins has referred to the "Important Health Requirements For All Insured Persons" section on the policy. But this doesn't say that no cover is provided if a policyholder is undergoing tests, or that no changes in travel dates are accepted. This simply says, amongst other things, that if a policyholder is awaiting any tests, then they "must call [Euroins] specialist team on [...] to proceed with [the] quote".

This section lists situations where the policy won't provide cover. These are if any traveller:

- *"Is travelling against medical advice; or*
- *Has the intention of obtaining medical treatment or consultation abroad; or*
- *Is currently on or awaiting dialysis, chemotherapy or radiotherapy."*

None of the above apply to Mrs D or Mrs M. So, I don't think Euroins has acted fairly or reasonably by relying on the policy terms to decline Mrs D and Mrs M's request to change the trip dates on their policy, or to decline cover for Mrs M's new condition. Euroins also hasn't sent any other evidence in support of its position, despite our requests to do so.

Unless I see any other evidence as above, I currently don't think Euroins acted fairly or reasonably by not allowing Mrs D and Mrs M to amend their policy to include Mrs M's new condition or to amend their travel dates.

Because of this, I think it would be fair and reasonable for Euroins to refund Mrs D and Mrs M the premium they paid for the policy. I've thought about if it would be fair for Euroins to refund the cost of the new policies Mrs D and Mrs M bought. But from what I can see, these have a different level of cover compared to the policy they held with Euroins. So, I don't currently think it would be fair for me to ask Euroins to refund the cost of these policies – rather, I think it would be fair for Euroins to refund the cost of this policy instead. Euroins should also add interest to this refund as Mrs D and Mrs M have been out of pocket by this amount.

If Euroins does provide evidence to support its position, I will reconsider the above. But in any event, I think Euroins has caused Mrs D and Mrs M unnecessary distress and inconvenience in the way that it handled their request to amend the policy. So, I think it should pay them £200 for the distress and inconvenience caused regardless."

Mrs D and Mrs M were happy with my provisional decision, and Euroins didn't respond. As the deadline to do so has now passed, I'm issuing my 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.

As neither party has given me any new information or evidence to consider, I see no reason to depart from the findings I reached in my provisional decision. So, I've reached the same conclusions, for the same reasons.

Overall, I don't think Euroins acted fairly or reasonably by not allowing Mrs D and Mrs M to amend their policy to include Mrs M's new condition or to amend their travel dates. I also think Euroins caused them unnecessary distress and inconvenience in the way that it handled their request to amend the policy.

My final decision

My final decision is that I uphold Mrs D and Mrs M's complaint and direct Euroins AD to do the following:

- refund the premium they paid for this policy;
- pay 8% simple interest from the date Mrs D and Mrs M requested Euroins to amend the policy until date of settlement;
- pay £200 for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D and Mrs M to accept or reject my decision before 28 September 2023.

Renja Anderson
Ombudsman