DRN-4369376

The complaint

Mr S complains about Liverpool Victoria Insurance Company Limited's ('LV's') handling of his travel insurance claim.

Any reference to LV includes the actions of its agents.

What happened

Mr S held a single trip travel insurance policy with LV. Whilst on holiday, he was admitted to hospital twice. His claim was accepted by LV, but Mr S was unhappy with the length of time it took LV to do so. He was also unhappy about various other aspects of the claim, and LV's handling of his complaint.

LV issued two final response letters. It accepted there had been poor communication and some errors made. It paid Mr S total compensation of £350. Unhappy with this, Mr S brought a complaint to this Service.

Our investigator didn't recommend the complaint be upheld. She thought LV had paid reasonable compensation to recognise its poor service.

Mr S didn't accept our investigator's findings, and so the matter has been passed to me for a 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.

Mr S complains about the length of time it took for LV to confirm cover.

It's standard practice for a travel insurer to request and consider certain information before agreeing to provide cover. Usually, an insurer will want to see a medical report from the hospital, as well as GP records (in order to check that the insured's medical history doesn't impact the claim at all).

After LV was notified of the claim on 11 March, I see that it wanted to establish whether Mr S had a UK Global Health Insurance Card (UK GHIC). As he didn't have this with him, LV obtained his National Insurance number so it could apply for a provisional replacement certificate (PRC) on his behalf. This was to allow him to have free healthcare. LV told Mr S this on 15 March, so I'm satisfied that Mr S was aware that he didn't need to pay for his medical expenses in the public hospital he was in (though I understand there were some medical expenses of around £300 from the initial clinic he attended).

LV still needed medical information about Mr S's condition, so it could look into the best way to return Mr S to the UK. It also wanted his GP records so it could confirm the claim was covered.

I see there was an initial delay in LV requesting Mr S's GP records, though I note the consent form sent to it hadn't been signed initially. It asked Mr S to sign this again on 17 March. Once this was received, LV contacted the GP surgery the next day. I'm satisfied that LV then chased the information from the GP regularly, as I'd expect. I don't hold LV responsible for the GP's delay in providing this information.

LV had the necessary information to make a claims decision on 30 March. Despite this, it didn't confirm cover until 5 April. I see that Mr S's father asked LV on 2 April what would happen if the claim was turned down, and LV confirmed the medical costs would be covered under the PRC, but there would be no cover for repatriation. Given that it was thought Mr S may need to return to the UK in an air ambulance at the time, I think this delay would have caused Mr S unnecessary worry about his repatriation.

For the most part, I see that LV was in regular contact with the hospital about Mr S's condition. However, there was a delay between 6 April and 11 April where LV didn't contact the hospital, despite Mr S's father confirming that Mr S was feeling better and wanted to return home.

On 12 April, Mr S's father told LV that the hospital had confirmed Mr S was fit to fly that day. A medical report was then received, and LV translated this on 14 April. This said that the best-case scenario was that Mr S was fit to fly commercially, and the worst case was that he would need an air ambulance. As this didn't make Mr S's repatriation needs clear, LV wanted more information from the hospital.

I think it was appropriate for LV to clarify this with the hospital. But I think LV delayed doing so, as it didn't attempt to speak to the hospital for another two days (until 16 April), despite Mr S confirming on 15 April that he'd been discharged. That meant Mr S was left not knowing what was happening with his repatriation. It was confirmed by the hospital on 16 April that Mr S didn't need an air ambulance and could return home unescorted.

LV initially offered to arrange Mr S's return flight to the UK, but he did this himself. LV told him the cost would be covered in full. However, after Mr S returned to the UK and submitted his claim, LV realised that Mr S hadn't had a pre-arranged return flight booked, and so it told Mr S that it wouldn't reimburse him for the cost of his return flight.

The policy says LV will cover the cost of getting the insured back home if they are unable to use their pre-arranged return transport. But Mr S didn't have any pre-arranged return transport, so he would have always needed to pay for this himself. So, according to the policy terms, I think LV was entitled to say that it wouldn't cover the cost of Mr S's return flight to the UK.

However, LV later overturned that decision, as it had previously told Mr S his return flight would be covered. I see that LV was made aware on 15 March that Mr S didn't have a return flight booked. Given that LV knew this, it shouldn't have told Mr S that it would cover the cost of his flight back to the UK. So I think LV's decision to cover the cost of the flight seems reasonable in these circumstances.

LV didn't pay for Mr S's taxi fare (to the airport) until February 2023. Given that LV had accepted in July 2022 that it would cover Mr S's repatriation to the UK, I think it should have made the payment at this time.

I agree with our investigator that LV doesn't need to reimburse Mr S for the cost he incurred in having the medical reports translated to English for his UK doctor. This isn't something that's covered under the policy terms. Also, LV said it could have provided the translated reports to Mr S if he had asked.

Mr S is also unhappy with the length of time LV took to respond to his concerns. As our investigator has said, we can't consider complaints solely about complaint handling as this isn't a regulated activity. But I think Mr S's concerns relate to a continuation of LV's handling of his claim, so I've considered this.

The Financial Conduct Authority (FCA) sets out complaint time limit rules that a financial business should adhere to. By the end of eight weeks after receiving the complaint, the business should send the complainant a final response, or if it is not in a position to do so, it should inform the complainant of their right to refer the matter to this Service.

Although LV did take a long time to provide Mr S with its final response, I see that it wrote to him within eight weeks of his complaint to inform him that he could bring his complaint to this Service, as it was required to do. It was up to Mr S whether he waited for LV to issue its final response, as he could have brought his complaint here at that time if he'd wanted.

Mr S then wrote back to LV as he was unhappy with its final response. Again, I see it took a long time for LV to address his points in more detail, but LV had already issued its final response on the matter, so it didn't have to consider his points further. Nonetheless, LV did consider his points and issued a further final response. Though Mr S had already been informed of his right to bring his complaint to this Service, so I don't find that LV failed to comply with the complaint time limit rules.

Overall, I think LV caused some avoidable delays in its handling of the claim, and these impacted Mr S as he was worried about his repatriation. But he knew that his medical expenses in the public hospital would be covered regardless of LV's claims decision, so I don't think he was caused any worry in that respect. LV has paid £350 total compensation for its errors, which in the round, I find to be reasonable.

Mr S has made the point that his family members were also caused distress by LV's handling of the claim. However, as his family members aren't covered under the policy, I haven't considered any impact to them as they aren't eligible complainants according to our rules.

My final decision

My final decision is that I don't uphold this complaint, as I'm satisfied that Liverpool Victoria Insurance Company Limited has paid reasonable compensation for its errors.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 29 November 2023.

Chantelle Hurn-Ryan
Ombudsman