

The complaint

Miss L has complained that AWP P&C SA ('AWP') gave her incorrect information when she called to enquire about a claim.

All references to AWP include any agents acting on its behalf.

What happened

Miss L has a travel insurance policy through her bank account, underwritten by AWP.

Unfortunately, the airline Miss L was travelling with lost her son's luggage which contained his medication (preventative inhaler). Miss L called AWP and was told her costs for replacing this would be covered. But when AWP assessed the claim, it only paid £250 which it said was the policy limit for her claim circumstances.

Miss L complained and AWP apologised, accepted it had given Miss L incorrect information and offered to pay £50 compensation. It concluded that although it had provided Miss L with incorrect information, she would always have needed to obtain a replacement inhaler at the same cost. Unhappy, Miss L referred her complaint to the Financial Ombudsman Service.

Our investigator looked into the complaint but found that AWP had correctly settled the claim in line with the policy terms. She found that the £50 offered was reasonable and agreed that Miss L would always have needed to obtain the replacement inhaler even if AWP had advised that the costs wouldn't be covered under the insurance policy.

Miss L disagreed and said if she had been told the costs wouldn't be covered then she would have considered alternative ways of obtaining a replacement inhaler which would not have cost her over £1,000.

And so the case has been passed to me for a 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.

Having done so, I don't think this complaint should be upheld. I'll explain why.

- The relevant rules and industry guidelines say an insurer should handle claims promptly and fairly. And shouldn't unreasonably reject a claim.
- I have carefully considered everything Miss L has said but in my decision, I will only focus on what I consider to be key. This decision relates to Miss L's claim for the replacement medication.
- The relevant policy terms confirm AWP will pay: *"Up to £250 for the purchase of essential items if your baggage is lost or misplaced by the carrier on the outward*

journey.”

- AWP accepts it provided Miss L with incorrect and misleading information when she called. She was told that all her costs for replacing her son's medication would be covered. She paid in excess of £1,000 for a consultation with a doctor and for the replacement inhaler.
- AWP's policy also confirms it doesn't cover: *“Expenses incurred in obtaining or replacing medication, which you were taking or knew would be required or needed to be continued outside your home country when you started your trip.”*
- As there is a clear exclusion, I don't think the policy terms cover Miss L's costs. I've also thought about the information Miss L was provided with and whether she acted on the advice given, and whether that caused her a financial loss.
- Miss L was told her costs would be covered so she was expecting to be reimbursed for over £1,000. But she only received a total of £250 in line with the policy limits for the replacement of essential items. She says had she not been told that she was covered for the cost of replacing the medication, she would have tried to find a different solution, such as Gumtree or Fedex from the UK. It was a preventative inhaler which is ideally used daily but doesn't have to be.
- I've carefully considered what Miss L has said about her alternative options. I don't think she would be able to obtain a prescription medicine using Gumtree. And even though the inhaler was a preventative inhaler, I haven't seen any medical evidence to show that it didn't have to be used daily. Additionally, there are regulations around shipping prescription medicines abroad. Even if Miss L did manage to use Fedex, this would have taken a number of days to arrive, and she would have had to contact her GP to request the medication and arrange the parcel. I don't think these are reasonable or plausible alternatives and I am not persuaded Miss L would have acted differently. As the inhaler was prescribed to be used daily, she would always have needed to obtain a replacement in the way that she did.
- Finally, Miss L has said AWP took too long to deal with matters and she kept chasing when she was told to write to customer services who responded after four months. As this specifically relates to complaints handling, which isn't a regulated activity, I cannot comment on this in my decision. I can consider the time period of when AWP declined the claim, which was one month, as set out by our investigator. I don't think that was an unreasonable timeframe.
- AWP offered £50 compensation for providing incorrect information. I think this is appropriate for the shock Miss L would have experienced when she was told the claim wouldn't be covered in full. And as already explained, I am not persuaded that Miss L would have done anything differently had AWP provided her with the correct information when she first called. It's up to Miss L to contact AWP if she would now like to accept the compensation offered.

My final decision

For the reasons set out above, I don't uphold this complaint as I think AWP P&C SA's offer of £50 compensation is reasonable.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 5 January 2024.

Shamaila Hussain
Ombudsman