

The complaint

Mr and Mrs B are unhappy with the way U K Insurance Limited (UKI) dealt with a claim on their travel insurance policy.

What happened

Mr and Mrs B have a travel insurance policy attached to their packaged bank account. The policy is underwritten by UKI.

They went on holiday and unfortunately Mr B lost his medication. He begun to feel unwell and required medical assistance. They contacted UKI to make a claim on their policy to cover Mr B's medical expenses.

The medical report from Mr B's treatment abroad said he had had been treated for hypertension. UKI requested Mr B's medical history and found he had been diagnosed with hypertension in 2013 and been prescribed medications for this condition.

UKI declined cover. They concluded Mr B's medical situation abroad was related to a pre existing medical condition that they weren't aware of. And their policy doesn't provide cover for any pre-existing medical condition, unless UKI have already been told about the condition and they've agreed to cover it.

Mr and Mrs B said they told UKI about Mr B's hypertension during a telephone call, in either 2015 or 2019. And UKI advised them it wasn't an issue. However, neither party had any evidence of this call taking place.

UKI said due to the time that has elapsed they are unable to locate any calls from so long ago. But in any event Mr B should have disclosed his condition every 12 months to ensure had had the correct cover in place.

Our investigator looked into what had happened. Initially he thought UKI should reconsider the claim to see what impact the misrepresentation had on the policy. Then on further review of the case, he changed this position. He said as Mr B hadn't made a medical disclosure every policy year, it was fair for UKI to apply the exclusion for pre-existing medical conditions.

Mr and Mrs B disagreed. In summary they said:

- Since returning home from his trip, Mr B has been diagnosed with anxiety and they believe it is this condition that resulted in him needing medical assistance.
- They weren't aware of this condition before so couldn't have disclosed it.
- They also provided a letter from his GP to support that his episode abroad was due to undiagnosed anxiety.

So the case was passed to me to make 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.

The relevant rules and industry guidelines say UKI has a responsibility to handle claims promptly and fairly. And they shouldn't reject a claim unreasonably.

The terms of the policy say Mr B can claim for emergency medical treatment while abroad. But claims relating to existing medical conditions aren't covered unless UKI have been made aware of the condition and agreed to cover it.

Customers are expected to declare all medical conditions each policy year so UKI has the opportunity to consider if they will cover the condition. Mr and Mrs B said they declared Mr B's hypertension condition to UKI during a telephone call, in either 2015 or 2019 – before another holiday. And UKI advised them it wasn't an issue. But neither party has any evidence of this call or a disclosure of a change in health taking place.

UKI said due to the time that has passed, they are no longer able to locate any calls from 2015 or 2019. I don't think it's unreasonable there isn't any record of a call from that long ago. I'm also mindful that I would've expected UKI to have added a note if Mr B had disclosed a diagnosis and that he'd been prescribed medication. But there is no record of any notes regarding Mr B's health. So I'm unable to conclude a relevant disclosure took place.

However, even if Mr B had disclosed this condition in 2019, he was still obliged to do so again each policy year. It's not unusual for insurers to expect policyholders to keep them updated at the point of renewal about all health conditions. This is because an insurer's underwriting criteria is updated regularly, so their decision on what conditions they'll cover may change.

In this case, it's not in dispute that Mr B didn't disclose or discuss his condition with UKI before his trip. So even if there was a disclosure in 2019, Mr B still should've spoken to UKI at his last renewal to discuss his condition and check he still had cover before going abroad.

As there is no evidence the condition was declared, or that UKI agreed to cover it, I think it was fair for UKI to apply the exclusion for pre-existing medical conditions.

Mr and Mrs B have suggested his hypertension wasn't the reason for Mr B's need for medical assistance. But the medical evidence says the reason for his medical visit was chest pains. And he was diagnosed with hypertension. So I think it was reasonable for UKI to rely on the medical report and conclude the incident abroad was related to his pre-existing condition.

I note the additional evidence Mr and Mrs B have provided in relation to Mr B's anxiety. But I don't think that makes a difference. For the reasons I've already explained, I think UKI was fair to conclude the claim for medical expenses was related to Mr B's pre-existing condition, based on the medical information available to them at the time of claim.

Taking everything into account, I think in the absence of any evidence of disclosure, UKI was fair to apply the exclusion for pre-existing medical conditions and declined cover for this claim.

My final decision

For the reasons set out above I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B and Mr B to accept or reject my decision before 19 January 2024.

Georgina Gill
Ombudsman