

The complaint

Mr and Mrs W complain that U K Insurance Limited (UKI) has turned down a medical expenses claim they made on a travel insurance policy.

What happened

The circumstances of this complaint are well-known to both parties, so I've simply set out a summary of what I think are the key events.

Mr and Mrs W hold travel insurance as a benefit of a packaged account with their building society.

Mr and Mrs W were abroad on a cruise holiday. Unfortunately, on 13 June 2022, Mr W became unwell and needed hospital treatment. He and Mrs W were disembarked from the ship in a country I'll call F and Mr W was admitted to hospital. The cruise operator found hotel accommodation for Mrs W for three nights.

On the same day, UKI's medical assistance team was told about Mr and Mrs W's disembarkation. The cruise operator let UKI know that it had arranged hotel accommodation for Mrs W.

The following morning, on 14 June 2022, Mr and Mrs W's son, Mr W1, booked a flight to F to join Mrs W. He travelled later that day. Other members of Mr and Mrs W's family were in contact with the assistance company that day and while Mr W remained in hospital.

Due to a number of events taking place in the city Mrs W was staying in, it was difficult for her to find accommodation. The assistance company had suggested that Mrs W should arrange her own accommodation and claim it back from UKI at a later date. Mr W1 helped Mrs W to find accommodation and remained abroad with her. The night before Mr W was discharged from hospital, the assistance company found accommodation for Mrs W.

Mr and Mrs W made a claim for Mrs W's hotel and food costs, but also for Mr W1's costs. They said that Mrs W had been distressed abroad and had needed Mr W1's help, especially given the lack of support UKI had offered Mrs W in terms of arranging accommodation in a busy city.

UKI paid Mrs W's accommodation and food costs, in line with the policy terms and applicable limits. However, it didn't agree to cover Mr W1's costs, as it said the policy only covered the costs of one person remaining abroad with a policyholder who was ill or injured. In this case, that had been Mrs W. It considered a separate complaint from another member of Mr and Mrs W's family about the overall handling of the claim by the assistance company. It paid £250 compensation for that complaint – to recognise the lack of support Mrs W had been given while Mr W was in hospital.

Mr and Mrs W were unhappy with UKI's decision not to pay Mr W1's expenses and so they asked us to look into a complaint about that specific issue.

Ultimately, our investigator didn't think this complaint should be upheld. Briefly, she didn't think the policy provided cover for Mr W1's expenses. And she felt that UKI had provided evidence to show there'd been regular contact between its assistance team and Mr and Mrs W's family while Mr W had been in hospital. So she thought that if there'd been issues with the way UKI was handling the claim, they could have been raised at the time.

I issued a provisional decision on 9 October 2023, which explained the reasons why I didn't think it had been unfair for UKI to turn down the claim for Mr W1's costs. I said:

'The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So I've considered, amongst other things, the terms of Mr and Mrs W's policy and the circumstances of this claim, to decide whether I think UKI treated them fairly.'

I've first considered the policy terms and conditions, as these form the basis of the contract between Mr and Mrs W and UKI. Mr and Mrs W made a medical expenses claim on the policy. So I think it was reasonable and appropriate for UKI to assess the claim in line with the 'Emergency Medical and Travel Costs' section of the contract. A subsection named 'Additional travel and accommodation costs' provides cover for the following (amongst other things):

*'Up to £2,500 to **allow one person from your home area to stay with you or help you to return home where this is medically necessary**, including economy class travel and up to £25 a day for meals and phone calls.'* (My emphasis added).

In my view, the policy terms make it clear that UKI will only cover the costs of one person staying with a policyholder and helping them to return home. In this case, Mr W was admitted to hospital and therefore, the cost of one other person remaining with him was covered by the policy. That person was Mrs W. I can entirely understand why Mrs W wanted to have Mr W1's support, as she was staying in a busy city and didn't speak the language. I don't doubt this was a very worrying time for her, given Mr W's illness and the situation in which she found herself. But I don't think there's any clear medical evidence that it was medically necessary for Mr W1 to travel to F, or to remain with Mrs W. And so it follows that I don't think it was unfair or unreasonable for UKI to conclude that Mr W1's costs weren't covered by the policy terms.

I can depart from a strict interpretation of the policy terms if I feel their application produces an unfair result. So I've thought very carefully about whether or not I think it would be fair to direct UKI to pay the claim outside of the contract terms. But I don't currently think it would, as I'll go on to explain.

UKI has provided me with its assistance team's notes from 13 and 14 June 2022, along with an overview of its subsequent contact with Mr and Mrs W's family. It seems that on 13 June 2022, UKI was in communication with the cruise operator. It appears that the cruise operator told UKI it would provide an update as to the hotel it had arranged for Mrs W and provide it with details of the hospital which was treating Mr W. And it seems that one of Mr and Mrs W's relatives called UKI at 13.53 on 14 June 2022 for an update. At that point, Mrs W was in the hotel arranged by the cruise operator.

I've seen a copy of Mr W1's flight booking confirmation. I can see that the flight to F was booked at 09.46 on 14 June 2022. This was some time before Mr and Mrs W's relative got in touch with UKI and before I think its assistance team had been in a position to provide effective help to Mrs W. I say that because, at this point, UKI hadn't been told which hospital Mr W was in and neither was it aware of the care he'd need – meaning it didn't know how long Mrs W would likely need accommodation for or what the next steps would be. It had

been informed by the cruise operator that Mrs W was in a hotel – but it wasn't aware of where she was. It seems Mrs W already had hotel accommodation arranged for a further two nights when Mr W1 decided to book his flight and travel. So I don't think I could fairly or reasonably find that the reason he travelled was because UKI had failed to provide Mrs W with appropriate assistance or because of any error it had made. Instead, I think it was more likely that he understandably wanted to support Mr and Mrs W during a very upsetting time. And it appears that Mr W1 was made aware that his costs wouldn't be covered in a timely way.

It's clear how strongly Mr and Mrs W believe that Mr W1's costs should be met. However, as I've explained, while I can understand why Mr W1 chose to travel abroad, I don't think I could fairly conclude that this was down to any failing on UKI's part. And therefore, despite my natural sympathy with Mr and Mrs W's position, I don't find there are any reasonable grounds upon which I could direct UKI to pay this claim.'

I asked both parties to provide me with any further evidence or comments they wanted me to consider.

UKI had nothing further to add. Mr and Mrs W didn't respond by either of the deadlines we gave.

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, as neither party has provided me with any additional evidence or comments, I see no reason to change my provisional findings.

So, whilst I'm sorry to disappoint Mr and Mrs W, my final decision is the same as my provisional decision and for the same reasons.

My final decision

For the reasons I've given above and in my provisional decision, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W and Mr W to accept or reject my decision before 12 December 2023.

Lisa Barham
Ombudsman