

The complaint

Mr and Mrs M complain that Astrenska Insurance Limited trading as Collinson Insurance declined their travel insurance curtailment claim. My references to Astrenska include its agents.

What happened

Mr and Mrs M had annual multi-trip travel insurance starting on 28 August 2022 insured by Astrenska.

Mr and Mrs M went abroad on 29 August 2022 to stay with relatives for a family occasion and had planned to return on 15 September 2022. On 31 August 2022 one of the relatives they were staying with tested positive for Covid-19. Mrs M also fell ill and as she was on the NHS Covid-19 'at risk' list she and Mr M curtailed (cut short) the trip and returned home that night incurring additional flight costs. They claimed for those irrecoverable flight costs.

Astrenska declined the claim saying that as its medical assistance helpline hadn't given prior approval for Mr and Mrs M's early return there was no cover under the policy terms.

Mr and Mrs M complained that Astrenska's decision was unfair. In summary they said:

- Mrs M felt unwell with similar symptoms to those when she previously had Covid-19. She's on the Covid-19 'at risk' list due to having had cancer and she'd been very unwell when she previously had Covid-19 which resulted in her spending several days in hospital.
- Their focus was on Mrs M's health and they thought they had no choice but to return home immediately, where she could get the anti-viral drugs and be cared for through the NHS. They didn't have time to call Astrenska's emergency helpline or Mrs M's GP (it was late evening in the UK) as their priority was getting home. They tried to rearrange their scheduled flight but couldn't so they had to book with another airline.
- Mrs M tested positive for Covid-19 on 1 September 2022, the day after they returned. She got the anti-viral drugs but on 18 September 2022, which is after the date they were due to return to the UK, she was still unwell and had developed a chest infection as a result of her Covid-19 infection which required further medication from the doctor.

Our investigator said Astrenska had unreasonably declined the claim as Mr and Mrs M had mitigated their costs by returning home. He recommended Astrenska pay the curtailment claim in line with the remaining policy terms and limits, plus interest.

Astrenska disagrees and wants an ombudsman's decision. It said:

- The relative had Covid-19 not a serious illness so it wasn't necessary for Mr and Mrs M to curtail because of that illness. They could have found alternative

accommodation and obtained the relevant anti-viral drugs for Mrs M which would have been considerably cheaper than the £3,000 flight costs they paid.

- It wasn't medically necessary for Mrs M to return home early as she didn't have a serious illness.
- There was no evidence that Mr and Mrs M mitigated costs by returning home early.

Before I made my decision we sent Astrenska the information Mr and Mrs M had provided about the cost in the relevant country for the treatment Mrs M had in the UK and the examples of costs of alternative accommodation near to the relatives for the ten days, and asked for its comments.

Astrenska said Mr and Mrs M had provided a list of accommodation chosen pricewise to support their decision to return home early. It said it could find a lot cheaper alternative accommodation, as Mr and Mrs M should have done if they were acting as uninsured.

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 regulator's rules say that insurers must handle claims promptly and fairly. And they mustn't turn down claims unreasonably.

I uphold the complaint as I think Astrenska unreasonably declined the claim. I'll explain why.

The 'Cutting Short Your Trip' section of the policy says if Mr and Mrs M, their immediate relative or a person they're planning to stay with has a '*serious illness*' Astrenska will cover additional travel costs for them to return home early as follows:

'2. Additional Costs to Return Home Early

We will pay necessary additional costs over and above the cost of your original return ticket, of the same class you were due to travel home on. There is no cover if you had not purchased a return fare at the time you cut short your trip, or if your travel provider transfers your original return ticket to a different flight'.

The same policy section contains the exclusion Astrenska relied on to decline the claim:

'There is no cover for

Early return home claims when we did not authorise the travel arrangements'.

Mr and Mrs M didn't get Astrenska's prior approval to return home early so under the strict interpretation of the policy wording the claim isn't covered.

However, I also have to consider what's fair and reasonable in all the circumstances. Astrenska says the relative Mr and Mrs M were staying with didn't have a serious illness. I've seen no medical evidence about how the relative was affected by Covid-19. And the policy doesn't define '*serious illness*'. But even if the relative wasn't seriously affected by having Covid-19 it was a serious illness for Mrs M. The 'at risk' letter from the NHS to Mrs M says she's at risk of '*severe illness*' if she got Covid-19 and should '*strictly avoid*' anyone with symptoms of Covid-19. As Mr and Mrs M were staying in the house of the relative with Covid-19 I think it's unlikely that Mrs M would have been able to avoid the person.

Although Mrs M didn't test positive for Covid-19 on the day she took the early flight home she was feeling unwell with symptoms she had when she previously had Covid-19. She tested positive the next day. So it's more likely than not that Mrs M had Covid-19 when she

returned home early, which I think was a serious illness for her given she was on the 'at risk' list.

Astrenska's response to our investigator's view suggested that rather than Mr and Mrs M incurring the additional costs of returning home it would have been reasonable and cheaper for them to have got alternative accommodation and the relevant anti-viral drugs Mrs M needed. Astrenska hasn't disputed that it would have paid for Mr and Mrs M's accommodation costs and medical costs in those circumstances. And in addition to those costs Mrs M remained unwell with or due to Covid-19 until at least 18 September, which is after Mr and Mrs M had been due to return home. So they may have had to rearrange their original flight home because of an extended trip which could have incurred further costs.

I think Mr and Mrs M's early return home did mitigate Astrenska's losses. Mr and Mrs M provided evidence that the cost in the relevant country for the treatment Mrs M had in the UK would have been about £450 and the average cost of alternative accommodation local to their relatives for the relevant 10 days would have been about £2,760, which totals £3,210. Astrenska said it could have found much cheaper accommodation. But it didn't provide any evidence of cheaper accommodation for me to consider and I think the accommodation examples Mr and Mrs M gave didn't exceed what was reasonably appropriate.

I'm satisfied that the £3,027 cost for the additional flight for Mr and Mrs M returning home early was less than the costs Astrenska would have had to pay if they had remained abroad. So Mr and Mrs M mitigated their losses by returning home early and in those circumstances I don't think it's fair for Astrenska to apply the exclusion it relied on to decline the claim.

I note Astrenska said Mrs M's GP said it wasn't medically necessary for her to return home early. I've seen no evidence the GP said it wasn't medically necessary. Mrs M's GP said he wasn't contacted before Mr and Mrs M returned home so he didn't make a recommendation, which is very different to the GP saying the early return wasn't medically necessary.

Overall in these circumstances I think it's fair and reasonable for Astrenska to pay the claim as I've detailed below.

Putting things right

Astrenska must pay Mr and Mrs M's curtailment claim in line with the remaining policy terms and limits, plus interest as I've detailed below.

My final decision

I uphold this complaint.

I require Astrenska Insurance Limited trading as Collinson Insurance to pay Mr and Mrs M's curtailment claim in line with the remaining policy terms and limits, plus interest* of 8% simple a year from the date of claim to the date of settlement.

*If Astrenska Insurance Limited considers that it's required by HM Revenue & Customs to take off income tax from that interest it should tell Mr and Mrs M how much it's taken off. It should also give Mr and Mrs M a certificate showing this if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mrs M to accept or reject my decision before 9 November 2023.

Nicola Sisk
Ombudsman