

## **The complaint**

Mrs K is unhappy with the way in which Chaucer Insurance Company Designated Activity Company handled a claim made on her travel insurance policy and the assistance provided by its medical assistance team whilst she was abroad.

Any references to Chaucer include its claim handlers and medical assistance team. And although Mrs K is being represented in this complaint, I've referred to her throughout as she is the solely named policyholder on the schedule of insurance.

## **What happened**

Early in 2022, Mrs K took out a single-trip travel insurance policy, underwritten by Chaucer ('the policy'). Whilst away, Mrs K required medical treatment and she was hospitalised.

A family member notified Chaucer for medical assistance at the beginning of March 2022. Cover was initially declined because the dates of travel didn't match the period of cover on the schedule of insurance.

After Mrs K contested this, Chaucer did agree to provide medical assistance and cover certain costs – including those relating to medical treatment and ensuring that she was safely repatriated to the UK from where she'd been visiting.

Mrs K is very concerned about the way in which Chaucer handled her claim and the service provided by its medical assistance team. She raised a number of complaints with Chaucer which it addressed in its final response letter dated May 2022, not upholding her complaint. Unhappy with Chaucer's response, Mrs K complained to the Financial Ombudsman Service.

Our investigator looked into what happened and didn't uphold Mrs K's complaint. She disagreed so her complaint was passed to me to consider everything afresh and decide.

I issued my provisional decision in June 2023 setting out more detailed reasons why I wasn't intending to uphold Mrs K's complaint. An extract of which is set out below:

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At the outset I acknowledge that I've summarised this complaint in far less detail than Mrs K has, and in my own words. I'm not going to respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as it's an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I haven't. I'm satisfied I don't need to comment on every individual point to be able to reach what I think is a fair and reasonable outcome here.

The insurance industry regulator, the Financial Conduct Authority ('FCA'), has set out rules and guidance for insurers in the 'Insurance: Conduct of Business Sourcebook' ('ICOBS').

ICOBS says that insurers should act honestly, fairly and professionally in accordance with the best interests of their customers. It also says they should handle insurance claims promptly and fairly - and a claim shouldn't be unreasonably rejected.

Mrs K was the sole beneficiary of the policy. So, although there have been many submissions about the distress, inconvenience and number of hours spent by family members contacting Chaucer for updates - and liaising with it to progress the claim and ensure it was providing adequate assistance to Mrs K - they aren't eligible complainants in respect of the complaint I've been asked to decide. They didn't enter into a contract of insurance with Chaucer. So, I don't have any power to direct it to pay Mrs K's family members any compensation for distress and inconvenience they've personally experienced as a result of anything Chaucer may have done wrong. Nor for the amount of time, they've spent liaising with Chaucer on behalf of Mrs K whilst she was abroad and after she was repatriated to the UK.

Mrs K also says her complaint is also being brought on behalf of others like her, whose claims have been declined when they needed insurance cover, and for whatever reason were not as tenacious as her family have been to secure cover. However, I've focussed on the individual circumstances of Mrs K's case and whether Chaucer has acted fairly and reasonably – although there is some crossover.

I'm also aware that Mrs K has referred a complaint to our service about the policy being mis-sold to her. As Chaucer didn't sell the policy to Mrs K, that complaint has been set up and investigated against another financial business. And does not form part of the complaint I've considered against Chaucer.

For the reasons set out below, I'm currently satisfied Chaucer has acted fairly and reasonably overall in the way in which it handled Mrs K's claim and the assistance provided under the policy.

- Before providing medical assistance and agreeing to meet any claim – including medical and repatriation costs - I think it's reasonable for Chaucer, as the underwriter of the policy, to seek to verify cover. That's in line with standard industry practice.
- After promptly requesting information from Mrs K's family, Chaucer identified that the dates of travel to and from the country she was visiting didn't correspond to the period of insurance as reflected on the schedule of insurance. Chaucer didn't sell the policy to Mrs K. So, whilst I can understand from Mrs K's perspective why she would've been very concerned about this, I think it's reasonable for Chaucer to take the dates of cover at face value when initially concluding that Mrs K wasn't covered under the policy as her intended travel dates exceeded the policy dates.
- When declining cover, Chaucer provided additional reasons for declining the claim. It looks like these were based on different policy terms (with different branding) and didn't relate to the terms of the policy Mrs K had the benefit of. For example, a term that the insurance policy doesn't cover travel for more than 45 days (if aged 76 or over on the date the insurance was bought). That's not included in the terms Mrs K had the benefit of. However, ultimately, I don't think this made a difference to the decision to decline claim as I'm satisfied it fairly and reasonably informed Mrs K's family at the time that because the dates of travel exceeded the dates on the schedule of insurance, there was no cover in place.
- Upon being notified that there may have been an error with the dates on the schedule of insurance, I'm satisfied that Chaucer promptly took steps to consider

whether it would've provided cover for Mrs K for the dates of her trip at the time it was sold and, if so, how much this would've cost. And I think that was fair and reasonable in the circumstances of this complaint.

- After concluding that cover would've still been provided at an additional premium, I don't think Chaucer acted unfairly by initially informing Mrs K's family that to validate cover, it would need to obtain a detailed medical report from the treating doctor and request a report from her GP. This is also standard industry practice. And given the reasons why Mrs K was admitted to hospital and the pre-existing medical conditions declared at the time of taking out the policy and reflected on the schedule of insurance, I don't think this was unfair.
- From Chaucer's contact notes, I'm satisfied Chaucer promptly requested the medical information. I know the GP report wasn't received for several days but I don't think I can reasonably hold Chaucer responsible for this. The request was made shortly before the weekend and the contact notes reflect that its representatives were chasing the GP for a response and updating a family member of its efforts.
- After both reports were received, I'm satisfied that they were promptly reviewed within a few hours. And although Chaucer's internal advice was to obtain further medical history from Mrs K's GP to see whether she'd correctly declared all of her pre-existing medical history – which isn't unusual – the following day, it agreed to accept the claim without carrying out a review of Mrs K's GP records. It also agreed to waive the additional premium which would've been charged had Chaucer been notified of the extended dates of travel before the policy was inception. Mrs K's family was told at the time that the figure was in excess of £300 but its internal notes reflect that this was incorrect, and the additional sum ought to have been around £1,100. Either way, the additional premium was significant and by waiving it, I'm satisfied Chaucer has done more than it reasonably ought to have.
- I don't think Chaucer has acted unreasonably by not refunding the actual premium Mrs K originally paid for the policy. Notwithstanding any issues of whether she was sold a policy unsuitable for her needs, Chaucer did ultimately decide to provide assistance and cover claims made under the policy – which I understand cost more than £30,000. As Mrs K derived a benefit from the policy, I don't think it would be fair and reasonable for Chaucer to refund the original premium she paid.
- I'm satisfied that Chaucer has confirmed in writing the amount it has paid Mrs K to cover her claimed out of pocket expenses whilst away – including medical costs she initially paid. It may not be in the format or prescriptive way Mrs K has asked for, but I don't think the confirmation Chaucer has provided is unreasonable. Nor do I think Chaucer has acted unreasonably by not providing an invoice in the prescribed manner Mrs K has asked for. The schedule of insurance sets out the premium paid for the policy and this reflects that insurance premium tax (IPT) wasn't charged. When a family member queried this, it's reflected that she was told on or around 24 March 2022 why it considered Mrs K to be exempt from paying IPT. I think the explanation given was reasonable and, from what I've seen, in line with UK legislation. And although the policy schedule says the total sum is inclusive of any IPT, it sets out just before this that the total charged for IPT was £0. So, I think that's clear enough.
- I know Mrs K has requested the full names and qualifications of the nurses who formed part of Chaucer's medical team and to whom her family members spoke to whilst she was away when discussing plans to repatriate Mrs K. It's accepted that

Mrs K's family members were aware of their first names. I can also see from the contact notes that Chaucer's representative confirmed that they were medically trained. I've seen no convincing reason to doubt what Chaucer says about that and I don't think Chaucer acted unfairly by not disclosing the surnames of the nurses to Mrs K's family in the circumstances of this case.

- Further, and in the alternative, I don't think Mrs K was subjected to any detriment by not knowing the surnames of the nurses. The treating doctor advised that Mrs K's projected discharge date was 26 March 2022 and she'd be fit to fly to the UK provided she had wheelchair assistance at the airport. Chaucer's medical team didn't disagree but did advise that one family member travel to the country where Mrs K was visiting to accompany her back. This is more than the treating doctor advised and I don't think this was detrimental to Mrs K.
- Having considered Chaucer's contact notes, I'm satisfied that before the decision was taken by Chaucer to cover the cost of one family member travelling to the country Mrs K was visiting to accompany her home, Mrs K's family was made aware that it wouldn't be covering the cost of two family members travelling to be with her. I think Mrs K's family understood that to be the case otherwise I don't think they would've repeatedly enquired whether Chaucer were agreeing to pay the costs before booking the flights. And, besides, it's clear to me from the contact notes, that before the flights were booked, Mrs K's family were aware that only one family member would be covered under the policy. I don't think Chaucer unreasonably relied on the terms and conditions of the policy when making that decision. And I've seen nothing which persuades me from the time the decision was taken that it was medically necessary for Mrs K to be accompanied back by two family members.
- Subsequently, Chaucer's medical team advised that a medical professional should travel to the country where Mrs K was staying so she had a medical escort on the way home. And Chaucer agreed to cover this cost. The treating doctor reported on 5 April 2022 that Mrs K was stable and doing well and remained fit to fly to the UK. And there's nothing reflected in the contact notes that Mrs K's family were concerned about being able to fly home. Understandably, the communications from her family at the time reflect that they were keen for Mrs K to travel to the UK. I appreciate that this is ultimately a medical decision to be made and I'm not a medical expert, but I've seen nothing to persuade me that Chaucer was acting against the advice of the treating doctor by repatriating Mrs K to the UK on the dates that she ought to. Nor do I think the advice from the nurses was inappropriate and not in the best interests of Mrs K. I also note that the doctor who met with Mrs K before escorting her on the flight to the UK before repatriation didn't raise any concerns about her fitness to fly.
- Chaucer hasn't been able to provide two call recordings to Mrs K which it accepts did take place and are referred to in notes. It says it's tried to locate these recordings without success from the numbers provided by Mrs K's family. I've got no reason to doubt what it says about that - particularly as I've requested from Chaucer and been provided with screenshots showing internal attempts to search for the calls during the relevant timeframes. Whilst it's disappointing that those recordings can't be located, I'm not persuaded that Chaucer is being deliberately obstructive by not providing them.

Notwithstanding my provisional findings above, I've also considered whether if I'm wrong, and Chaucer was responsible for providing unsatisfactory service to Mrs K, resulting in unreasonable delays in confirming cover for Mrs K's claim and providing assistance, whether she's lost out as a result. That includes Chaucer unfairly relying on the wrong policy terms to

initially decline cover and/or delays obtaining medical information before then verifying cover under the policy after initially declining it. And whether Mrs K was caused distress and inconvenience by this. Even if I accepted that she was, Chaucer agreed not to charge Mrs K the additional premium in the region of £1,100 to cover the full dates of her trip, which it wasn't required to do.

So, even if I was satisfied that Chaucer had acted unfairly and unreasonably here (which I don't for the reasons set out above), I think the amount of the additional premium waived by Chaucer fairly and sufficiently compensates Mrs K for the distress and inconvenience she experienced as a result of any wrongdoings Chaucer could be deemed responsible for in this case.

### *Other issues*

I know Mrs K has raised concerns that Chaucer has breached her data protection rights and has breached The General Data Protection Regulation, including sending her family call recordings relating to a different policyholder when sending them recordings of calls relating to Mrs K's case. She's free to raise those concerns with the Information Commissioner's office.

Mrs K has also raised concerns about the 'tangled web' of financial businesses involved with the policy. It's not unusual for different entities to administer and underwrite a travel insurance policy, and for different sections of the policy to be underwritten by different insurers. It's also common for insurers to use medical assistance companies. The Financial Ombudsman Service isn't the regulator, and I can only look at particular individual complaints against stipulated financial businesses about regulated activities. If Mrs K has any concerns about the way Chaucer operates its business in general, its finances or the relationships and interactions it has with other businesses, she's free to raise those with the regulator, the FCA.

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I invited both parties to provide any further comments in response to my provisional decision. Chaucer didn't reply. Mrs K disagreed with my provisional decision. In summary she said:

- I shouldn't be prepared to accept Chaucer's 'word' about the nurse's names / qualifications and records on missing call recordings when she's repeatedly raised concerns over Chaucer's honesty and transparency. And she still has concerns over the qualifications of the nurses who are part of Chaucer's medical team.
- call recordings weren't provided by Chaucer within 30 days of requesting them. And my comment that it was 'disappointing' that some of the recordings can't be located, and provided, is unacceptable.
- she will now approach the FCA to address issues our Service aren't able to determine as part of this complaint.

### **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.

When doing so, I've taken into account Mrs K's further points, which I've summarised above, but they don't change my mind. For the reasons set out below, and for the reasons set out in my provisional decision (which forms part of my final decision), I don't uphold Mrs K's complaint.

As I said in my provisional decision, Chaucer's contact notes reflect its representative confirmed that the nurses were medically trained. And I've seen no convincing reason to doubt what Chaucer says about that.

Further, I don't think the advice received from the nurses was detrimental to Mrs K. The treating doctor advised that Mrs K's projected discharge date was 26 March 2022 and she'd be fit to fly to the UK provided she had wheelchair assistance at the airport. Chaucer's medical team didn't disagree but did advise that one family member travel to the country where Mrs K was visiting to accompany her back. That's more than the treating doctor advised.

I also accepted in my provisional decision that Chaucer hadn't been able to provide two call recordings to Mrs K which it accepts did take place and are referred to in notes. Chaucer provided our Service with screenshots showing internal attempts to search for the calls during the relevant timeframes. I know Mrs K feels very strongly that Chaucer ought to be able to provide the recordings. Our Service is able to take into account the absence of relevant information when determining individual complaints. But the absence of this evidence hasn't impacted my overall findings in the circumstances of this particular case. However, Mrs K is free to contact the Information Commissioner's Office and/or the FCA if she has any wider concerns about Chaucer's adherence to The General Data Protection Regulation, her data protection rights or the way it conducts its overall business.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 14 August 2023.

David Curtis-Johnson  
**Ombudsman**