

The complaint

Mr H is unhappy that AWP P&C SA declined a claim made on his travel insurance policy ('the policy').

What happened

Mr H had the benefit of a travel insurance policy as part of a packaged bank account.

In or around June 2022, he'd booked to go on holiday in September 2022, but a few weeks before his intended holiday, he cancelled and claimed on the policy.

AWP declined the claim on the basis that Mr H hadn't declared his pre-existing medical condition before booking the trip. If he had, it says it would've excluded claims for those pre-existing medical conditions which were the reason for holiday being cancelled.

Unhappy, Mr H complained to the Financial Ombudsman Service. Our investigator looked into what happened and didn't uphold his complaint. Mr H disagreed. So, his complaint has now been passed to me to look at everything afresh to decide.

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.

AWP has an obligation to handle insurance claims promptly and fairly - and shouldn't unreasonably reject a claim.

I know Mr H will be very disappointed but, for the reasons set out below, I'm satisfied AWP has acted fairly and reasonably by declining his claim.

The terms and conditions of the policy reflect that the policy doesn't automatically include cover for pre-existing medical conditions.

Pre-existing medical condition is defined as:

Any disease, illness or injury for which you have experienced symptoms, consulted a doctor or been diagnosed with...when renewing your medical screening declaration on the health check date

The health check date is defined as:

Before booking a trip if your health has changed (your pre-existing medical condition has deteriorated, your dosage or number of prescribed medication has increased or you have developed a new medical condition)

The "health declaration and health exclusions" section of the policy (starting page 15) says:

You must provide us with further details about your pre-existing medical condition if:

You answer yes to any of the following medical screening questions; and

The pre-existing condition is not one of the 'No screen medical conditions' listed in this section

It explains how Mr H can provide AWP with further details of his pre-existing medical conditions (by email or by calling) and if he failed to do this "it may mean you will not be covered for related claims".

From what Mr H has said and the information from around the time, I'm satisfied the main reason for Mr H cancelling his holiday was due to anxiety.

During a phone call with one of AWP's representatives towards the end of August 2022, he explains that his anxiety levels had increased to the extent that he doesn't feel confident. He also lists anxiety as a reason on his claim form for not being able to travel. There's also a letter from his GP dated September 2022 that Mr H is "suffering from extreme anxiety and worsening low mood that has recently deteriorated". The letter explains that he wouldn't be able to go on holiday as a result.

Anxiety isn't on the list of 'No screen medical conditions' in the policy terms and conditions.

So, I've considered whether any of the medical screening questions should've been answered 'yes'. The questions include:

In the last six months have/are you...

1. Been prescribed medication?
2. Received treatment for or consulted a doctor about any medical condition?

The medical certificate completed by Mr H's GP in September 2022 reflects that the onset of symptoms for his anxiety started in December 2021 and he started anti-depressant medication which he'd taken intermittently. But his anxiety deteriorated in August 2022.

Mr H says that he only mentioned to his GP (who was also a friend) early in 2022 that he was apprehensive about going away (on a separate trip with family in March 2022). He was prescribed anti-depressant medication for "good measure" in case he needed to take them. But he didn't. He then when on other holidays without issue.

However, that's not entirely consistent with another letter received from his GP in April 2023 which reflects that Mr H reported feeling anxious in January 2022 and he was prescribed anti-depressant medication. When he was reviewed a few weeks later he reported feeling "better, more positive". And that he'd only taken two days of the tablets before stopping them due to nausea.

I know the GP goes on to say that they don't think Mr H's anxiety amounts to a pre-existing medical condition. But there are specific terms and definitions in the policy that need to be met.

In light of the overall evidence, I'm satisfied that AWP has fairly concluded that Mr H had been prescribed medication in the last six months before booking his holiday and had consulted a doctor about anxiety.

I'm also satisfied that Mr H ought to have contacted AWP before making the booking for the holiday starting September 2022 – which was cancelled - before booking it in June 2022.

AWP says if Mr H had contacted it to declare anxiety before booking his holiday, anxiety wouldn't have been covered. On the balance of probabilities, I'm satisfied that's likely to have been the decision made.

That's because Mr H did contact AWP towards the end of August 2022, before cancelling his holiday (but after it was booked), to tell them about his anxiety and that he didn't think he'd be able to travel. He was asked to make medical declarations at that stage and answered questions about his anxiety and another medical condition. He was notified by AWP that, based on his answers, the policy wouldn't cover any claims relating to anxiety (or the other condition).

I've got no reason to doubt that the same outcome wouldn't have been reached had Mr H contacted AWP before booking his holiday in June 2022 to make the same medical declarations. And so, I'm satisfied AWP has fairly concluded that the claim isn't covered as it relates to a pre-existing medical condition, which Mr H should have told it about before booking his holiday but didn't.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 13 November 2023.

David Curtis-Johnson
Ombudsman