

Legal service within travel insurance

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Travel insurance is a very wide-ranging product, designed to provide cover for many eventualities and situations while the policyholder is either on holiday or on a business trip.

* **Where can you buy travel insurance?**

Travel insurance is widely available. You can buy it from:

- insurance companies
- banks
- retailers and supermarkets
- travel agents
- online comparison websites
- holiday companies.



Travel insurance can cover worldwide travel - or be limited to travel within the UK or another geographic area (for example, Europe).

It is often (but not always) sold alongside a holiday, when it is known as "connected" travel insurance.

* What complaints do we see?

* We see complaints about all aspects of travel insurance, including:

- cancellation of a holiday

for example, a policyholder cancelled their holiday because a relative fell ill

- holiday cut short

for example, the holiday was cut short because a policyholder was ill and had to return home

- medical expenses

for example, a policyholder was hospitalised during the trip

- lost or delayed luggage

for example, a policyholder's luggage was lost

- personal possessions

for example, a policyholder lost their bag, including money and passport

- "volcanic ash-cloud" travel-insurance claims

arising from delays and disruption caused by ash from a volcanic eruption in Iceland

One of the most difficult problems we see is the issue of people with pre-existing medical conditions. We also see many complaints relating to the terms and conditions of the policy.

* How we look at complaints?

* When we look at complaints about travel insurance, we take into account:

- the relevant policy wording;
- the relevant law;
- any regulations that applied at the time in question; and
- any industry codes of conduct in force at the time in question.

* We also review any other relevant evidence, which could include:

- medical reports;
- police reports;
- "property irregularity" reports; and
- claim forms.



When the complaint is about policy exclusions or limitations, we take into account any advice the seller of the policy may have provided - and whether there is evidence that unusual or significant exclusions or limitations were drawn to the customer's attention

* Cancel holiday



- * There are many reasons to cancel a vacation or trip before it starts. Nearly all policies provide insurance coverage for cancellation due to illness, injury or death of the insurer (or of a close relative, such as a close relative).
- * Other cover cases change according to policy. But many insurance businesses exclude many cases. The policy usually includes a list of situations where the insurer can claim, but is usually quite limited.

* Missed the trip



- * Policies often include including cancellations due to missed departures - although the cover provided is generally very limited. Cancellation because the owner changed his mind
 - for example, because the relationship has ended - will not give rise to a valid claim. Causes are often one of the reasons set out in the policy.

* Holiday cut short

* "Curtailment" means that the holiday is cut short for some reason, usually because the policyholder or a fellow traveller is unwell. The complaints we see usually focus on these problems:

- The insurer is relying on an exclusion clause relating to pre-existing medical conditions and won't pay the claim.
- The insurer says it was not "medically necessary" for the policyholder to cut short their holiday.

*Medical expenses



This is an important (and expensive) part of any travel insurance policy that covers medical costs incurred through illness or injury while on holiday.

- * Under most policies, insurance buyers must contact the emergency support company before any costs occur.

This means it can:

- allow medical expenses;
- decide whether the injured or sick person should "return" (return home); And
- decide if the injured person or the sick person is fit to travel.

- * The complaints we see are often disputes about whether:

- treatment is "emergency treatment";
- standards of care are appropriate;
- the contractor must be repatriated;
- The insurer must pay for the appropriate treatment or service.

*Lost or delayed luggage



Insurance policies have limits on what they will pay out for lost or delayed luggage.

These limits vary from policy to policy and are limited to "depreciated" rates - not "new for old".

- * Insurers will also exclude claims in certain circumstances, such as the luggage being left unattended.
- * We regularly see complaints that the insurer:
 - has refused the claim because the luggage was unattended or left in a car;
 - has refused the claim because the policyholder cannot produce a receipt for the lost or stolen items - or is unable to provide a written police report;
 - is offering less for the item than the policyholder paid for it.

*Policy start date



- * When asked when the policy should start, many policyholders say the start date of their holiday, rather than the day they booked the holiday.
- * This can become a problem when the policyholder has to cancel the holiday before they go.
- * In these circumstances, the insurer may refuse to pay any cancellation costs because the policy cover hasn't actually started.

*Terms and conditions

Terms & Conditions



When we consider a complaint, the terms and conditions of the policy are a crucial factor. Cover provided by a travel insurance policy is often described in very broad terms, refined by exclusion and limitation clauses.

* This means we often see disputes relating to:

- whether a travel insurance policy covers a particular event;
- the impact of an exclusion clause on a pre-existing medical condition; and
- limitation clauses, such as monetary limits on lost possessions.

* In the cases we see, where a term was likely to have been onerous for the policyholder, we usually expect it to have been brought to their attention when they took out or renewed the policy.



As more consumers buy travel insurance online direct or via price comparison websites, we take the view that it is more important than ever that insurers bring potentially onerous policy terms to the attention of customers when they take out travel insurance policies.

This helps to overcome the problems caused by the difference between the consumer's expectations of what the policy will provide and the actual cover offered.



**THANK
YOU!**