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By email: signpostingtotravelinsurance@fca.org.uk

Dear Hannah

**Financial Services Consumer Panel (the Panel) response to CP19/23:
Signposting to travel insurance for consumers with medical conditions**

The Panel welcomes the opportunity to respond to this consultation.

The Panel has called for the FCA to impose an obligation on firms to signpost customers with pre-existing medical conditions (PEMCs) to alternative providers where the premium quoted exceeds the provider's standard. We agree with the FCA's proposals specifying when firms should signpost. We also agree that the Money and Pensions Service (MAPS) is the right public organisation to host the Directory of firms that are able to offer specialist affordable products for consumers with PEMCs.

The FCA will need to set up a framework that will ensure that the purpose of the Directory is made clear¹ to consumers and that conflicts of interest are managed to avoid detriment to consumers when being referred to specific firms as well as the Directory. We also believe that the proposal for consumer user-testing of the Directory is imperative to measure the success of the FCA's intervention.

The FCA should also consider stakeholders such as ABTA and other travel trade associations, and also identify ways to promote awareness of the availability of travel insurance that cover PEMCs, early on in the consumer journey. The FCA should be mindful of those who may be digitally excluded and therefore seek travel insurance via more traditional methods. These consumers should not be forgotten when increasing awareness of specialist travel insurers.

¹ <https://www.fca.org.uk/publication/consultation/cp19-23.pdf> pg. 11

As the Panel indicated in its response to the FCA's Call for Input,² the signposting proposals alone do not address the complex issues with insurance pricing and access. There are wider issues that require regulatory solutions to obtain fair treatment of all customers. The underwriting practices used by firms are opaque resulting in a wide range of premiums and cover. We eagerly await the FCA's findings of the General Insurance Pricing Practices Market Study.³

Yours sincerely

Wanda Goldwag
Chair, Financial Services Consumer Panel

² https://www.fs-cp.org.uk/sites/default/files/fscp_response_call_for_input_cancer_and_travel_insurance.pdf

³ <https://www.fca.org.uk/publications/market-studies/ms18-1-general-insurance-pricing-practices-market-study>