

Devil in the fine print

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Producer: Susan Purèn
Presenter: Devi Sankaree Govender
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Christo and Lettie Swanepoel were world travellers...

During their marriage of 54 years they saw places that most people just dream of.

Lettie Swanepoel: 'We've travelled a lot during our lives. We've seen the world. I think the only place we haven't been is Australia. We've even been to Hawaii. For instance, we took our grandchild to the Maldives because he loves diving.'

But the UK became their destination of choice when their only child and her family moved there eight years ago.

So in June last year it was time for their annual trip and they decided to treat themselves.

Lettie: 'We decided, 'We owe it to ourselves, we're not going to fly economy class. We're going to fly premium economy... large seats, enough leg room.' We treated ourselves, but that meant we were paying R34 000 for two tickets.'

And as always the seasoned travellers took out travel insurance to ensure that all unforeseen events were covered.

They arrived in London on the 12th of June.

But their excitement was short-lived. Lettie fell ill the next day.

Lettie: 'I started feeling ill in the afternoon, which was very strange to me. Initially we thought I might have malaria because we were in the game reserve about three weeks earlier. Tests showed it wasn't malaria. I was coughing a lot and had high fever.'

Devi Sankaree Govender (Carte Blanche Consumer presenter): 'Three days later Lettie was feeling better, but then her daughter Leoni, son-in-law Alwyn, and husband Christo all fell ill with the same symptoms. When Christo was admitted to hospital and diagnosed with pneumonia it was time to call on the London office of their travel insurance.'

Lettie: 'The woman who answered the phone was wonderful, and said, 'Don't worry, we will take care of everything.' Later that day we received a phone call from Johannesburg who confirmed

everything is in place.'

Devi: 'But two days later the Swanepoels received another call, this time from the travel insurance office in Johannesburg. And it wasn't good news.'

Lettie: 'All this person said was, 'We are not going to pay - he has a lung ailment.' Immediately afterwards I called my house doctor who sent them 22 years of medical records via email, which clearly stated that he never had a lung ailment in his life.'

That didn't help either because; unbeknown to them, respiratory ailments such as Christo's pneumonia were exempted from their policy.

George Novis (MD: Travel Insurance Consultants): 'It's quite a standard exclusion for people over the age of 70, as [with] pre-existing illnesses and unfortunately a host of other conditions.'

George Novis is the Managing Director of Travel Insurance Consultants or TIC, the underwriting management company of the policy that the Swanepoels had taken out.

George: 'I think every policy document does say and everybody accepts that it has got terms and conditions. And I think people don't read it.'

Devi: 'Ironically the Swanepoel's policy was specifically aimed at senior citizens between the age of 76 and 85 years, yet basically all the ailments that are associated with old age were exempted.'

These included ailments like cardiovascular, vascular, cerebral vascular, cardio respiratory, and hypertensive conditions.

Dr Stan Lipchitz (Specialist Physician): 'Those are the common conditions that elderly people have.'

Dr Stan Lipchitz, who specialises in geriatric medicine and care of the elderly, was shocked when we showed him the exclusions on the policy.

Dr Lipchitz: 'You're excluding a large percentage of the very conditions the elderly person would be prone to develop, not only when they're travelling, but at any time.'

So is there any value in travel insurance for the elderly when it excludes these conditions?

Dr Lipchitz: 'Very little value. If the elderly person were to go into an icy environment or if they were going skiing that would be covered, but the vast majority of other conditions the elderly patient is likely to develop are excluded.'

Devi: 'So, as far as you understood it, that policy was going to cover what?'

Lettie: 'Anything that could happen to you while you're away. Hospitalisation, operations... and the document states that transport of the remains is included. That's what the policy states.'

Brian Martin (Ombudsman: Short-term insurance): 'Travel insurance is a problematical area in the sense that a lot of these products are very restrictive, they are very technical, they're also not always understood, and of course the way that they are marketed.'

Brian Martin is the Ombudsman for short-term insurance.

Members of the public can approach him should they have problems with short-term insurance claims.

Brian says the fine print of travel insurance is often not clearly communicated to the public.

Brian: 'These products are often marketed through travel agents or other consultants, and a lot of them are offered as a sort of 'free' add-on if you purchase a ticket with a credit card. And as a result there can be misunderstandings as to what they are getting.'

But a travel agent is not allowed to advise on travel insurance packages in terms of the law, says **Robyn Christie, the CEO of the Association of South African Travel Agents, ASATA.**

Robyn Christie (CEO: ASATA): 'It is their responsibility to say, 'We strongly recommend that you take travel insurance,' and lead them to the respective products that are available. But certainly not to disclose or interpret the fine print, definitely not.'

The Swanepoels however bought their travel insurance at First National Bank and paid for it with an FNB credit card, like they'd always done before.

CEO of FNB Credit Card, Jacques Celliers, says the bank only facilitates discussions with TIC.

Jacques Celliers (CEO: FNB Credit Card): ' We will say, 'Here is a phone number' or we'll put the guys through to TIC. And TIC will have the discussion and, in its basic form, TIC would then quote a customer and if they're happy that's fine.'

Devi: 'Do you not feel that perhaps TIC should be a little bit more responsible in sitting the client down and saying, 'Look, you're over the age of 70, therefore, this is what we do not cover you for?'

George: 'I think it is very difficult to go through every single exclusion and every single condition of every policy with every person. The policy is laid out in simple English terms. It is simple language. It is not a long document. And so it is there and it does become the responsibility of the consumer.'

So what has happened to the Swanepoels, who were stranded in the UK?

Well, Christo remained in hospital, but he was stable and well taken care of.

Devi: 'Then Lettie's symptoms returned; she developed a cough and a chest infection - a respiratory ailment which her travel insurance didn't cover. She decided to return home for treatment, while

Christo remained in hospital in the UK.'

Devi: 'But that must have been a difficult decision for you to have made?'

Lettie: 'Absolutely! It was horrible. But my daughter and son-in-law told me to come back: 'He's taken care of, we are here, go home and get to a hospital.' '

Back in South Africa Lettie was rushed to hospital where her doctor waited.

Lettie: 'They admitted me immediately and put me on oxygen and a drip. And then told me I had double pneumonia. After 23 days my daughter called and said he had died.'

Christo was cremated in the UK and the family had to foot the bill, despite the fact that the policy specifically mentions that funeral costs are covered.

Lettie was unable to attend because she was still recovering in South Africa.

Devi: 'Why is it that the cremation wasn't paid for, even though it does state in your policy that you will pay for cremation or burial, or the return of mortal remains... that wasn't paid for either?'

George: 'Because the condition, the cause of the claim, was the excluded event and so therefore the repatriation of the remains wasn't covered either.'

The Swanepoel's daughter and son-in-law brought Christo's ashes back to South Africa.

Lettie says she has had no closure.

Lettie: 'I still haven't made peace with the fact that he's dead because I can't believe that he's dead [cries]. My whole life came to a standstill. He was my best friend, my best mate. We were like this [shows two fingers crossed].'

Lettie has not taken her case to the ombudsman, but even if she would, there's little chance that he would rule in her favour:

Brian: 'We can't rewrite a contract. We can't create something that doesn't exist. What we can do, and what we do do, is to look carefully into all the facts and circumstances. We see whether at the end of the day the rejection is valid in terms of what the policy terms and conditions are. We also look to see whether it falls within the ambit of an exclusion or whether it is a breach of a condition and on equitable grounds in certain cases we can intervene or we can put pressure on the insurer to accept liability.'

George: 'I think it is vitally important that people do travel with insurance. It is important to ensure that you're travelling with a reputable travel insurance company and more important of all, to ensure that you do understand what you've purchased, to read through your document, and to understand what's covered and what's not covered.'

For Lettie, one question remains unanswered: What's the purpose of taking out travel insurance when you're a senior citizen?

Lettie: 'I don't know. I would just like people to learn something from this.'

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