

The complaint

Miss O has complained that Casualty & General Insurance Company (Europe) Ltd (CGI) unreasonably refused to pay her claim for vet fees under her pet policy.

What happened

Miss O's dog was born on 21 September 2020 and he came to live with her on 16 November 2020. She first took him to the vet on 24 November 2020 due to him suffering itchy paws. In the vet history on 25 November 2020, the vet mentioned in the notes 'nares quite narrow but not obviously BOAS at this stage'. Miss O was unaware the vet had written this.

She took out a policy with CGI to start on 12 December 2020. Sadly, her dog required BOAS surgery and Miss O made a claim on 9 September 2021 for the vet costs in relation to this.

On reviewing the history CGI said because the vet noticed the 'nares were narrow' before the policy was taken out, the cause of the claim was pre-existing and therefore wasn't covered. So, it refused to pay her claim and imposed two retrospective exclusions for respiratory issues and anything to do with BOAS from the start date of the policy. It explained had it known what the vet had said, it would have excluded all this from the start.

Miss O said she never knew this was in vet history so she couldn't have disclosed it. She felt consequently, that it was very unfair for her claim to be declined. Miss O complained but CGI wouldn't change its stance, so she brought her complaint to us. The investigator didn't think CGI had done anything wrong. Miss O disagreed so her complaint was passed to me to decide.

I issued a provisional decision on 24 February and I said the following:

'First pet insurers are fully entitled to rely on what's written in the vet notes regardless of whether the policyholder knows what the vets have written in there, or not. If there is any issue with what is written in the vet notes, that's usually a matter between the consumer and the vet and doesn't tend to concern the insurer. Vets are also fully aware that insurers rely on what is written in the vet history too. It is for this reason pet policies don't tend to be cancelled for such types of non-disclosure and that exclusions, often retrospective too, are imposed instead.

So, in that regard, CGI has done nothing wrong. However, all that is written in the vet history is a note of a physical trait which was obviously genetic and congenital which may or not cause BOAS to develop. Miss O's dog was merely two months old at that time. Further given the breed of the dog, that breed is well known for sadly developing BOAS, but obviously not every dog of that breed or similar breeds goes on to develop BOAS and more importantly require surgery for it.

In order to determine the propensity to develop BOAS, I understand that the dog requires a grading under the Respiratory Function Grading Scheme assesses Bulldogs, French Bulldogs and Pugs for a breathing problem known as BOAS

(Brachycephalic Obstructive Airway Syndrome). The scheme says it advises owners if their dog is affected by BOAS and gives guidance to breeders on how to lower the risk of producing affected puppies. No such grading was given here by Miss O's vet on 25 November 2020. I also understand narrow nares (nostrils) is only one sign, examination of the palette is also required plus signs of difficulty in breathing. None of that was written in the vet notes either. No exercise test was done. In short, this very young puppy presented with one physical trait, which many dogs of its breed also exhibit. There is no vet evidence before me to show me that this is enough to declare this dog would later develop BOAS and therefore this physical trait meant it was a pre-existing condition in a dog this young. This is of course irrelevant to the fact that sadly this dog did do so.

There's also no underwriting evidence to show me that with just narrow nares, had Miss O been aware of this and disclosed it on her application, that it would have meant CGI would have imposed two significant and far reaching exclusions on a puppy this young of anything to do with BOAS plus respiratory issues. It's usual for such underwriting guidelines to require at least a grading of a certain extent to be given by the vet, before it could be classed as pre-existing condition.

Further there's no evidence before me that CGI didn't want to cover dogs of this breed type which Miss O's dog is, or that it would only provide limited cover in those circumstances, more so with these congenital traits. I consider it's simply not enough to decide on the basis of narrow nares only, when a dog was this young, that it was a clear clinical sign that this dog would go on to develop BOAS and that therefore it should be classed as pre-existing condition. If that is the case, then the policy wording and more importantly the necessary highlighting would need to be very clear indeed so that consumers like Miss O could have made a much better informed decision about whether the cover offered by this policy was suitable for her needs. And there is nothing of that nature in the policy documentation that CGI provided to Miss O.

Therefore, I find that there isn't sufficient evidence of a medical issue to the level that it amounts to a pre-existing condition. So, I consider Miss O's claim should be reconsidered and paid, along with any further valid claims Miss O has incurred given she has indicated there has been further treatment costs beyond that contained in the claim, subject to remaining terms and conditions of the policy. The exclusions should also be removed.

This obviously caused Miss O some significant level of distress and upset given her dog is so young, so I think it's reasonable that it should pay her £150 compensation.'

Miss O agreed with my provisional decision. CGI didn't provide any response.

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.

Having done so again, and in the absence of any comment from CGI, I see no reason to depart from the outcome as detailed in my provisional decision.

My final decision

So, for these reasons, I'm upholding this complaint.

I now require Casualty & General Insurance Company (Europe) Ltd to do the following:

- Reconsider Miss O's claim under the remaining terms and conditions of her policy with a view to paying it.
- Add interest of 8% simple per year from the date she made her claim to the date it refunds her.
- Remove the exclusions imposed and consider any further claims Miss O might have subject to the remaining policy terms and conditions, adding interest of 8% from the date Miss O paid any of them, if they are valid claims, to the date it refunds her.
- If income tax is to be deducted from the interest, appropriate documentation should be provided to Miss O for HMRC purposes.
- Pay Miss O £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss O to accept or reject my decision before 11 April 2022.

Rona Doyle
Ombudsman