

The complaint

Mr T has complained that Casualty & General Insurance Company (Europe) Ltd (C&G) has declined his claim for the cost of veterinary treatment for his pet dog.

What happened

In September 2021 Mr T's young dog, who I'll refer to as "T", required veterinary treatment for a condition called Cherry Eye in his right eye. When Mr T claimed for the cost of this under his pet insurance policy with C&G it declined the claim on the ground that T's clinical history confirmed that there had been signs and symptoms of Cherry Eye in T's left eye in June 2021. Mr T's took out his policy on 2 July 2021. C&G says that the condition was therefore a pre-existing and bilateral one and as such was excluded from cover.

Mr T has said that in June 2021, shortly after he'd purchased T, he noticed that T's left eyelid was inflamed. As T's breeder had told him this might be Cherry Eye or hay fever from pollen, Mr T mentioned the possibility of Cherry Eye to T's vet on 18 June 2021 when he took T to be seen for a tummy upset. He says that he asked the vet to check T's eyes for Cherry Eye and was told that the symptoms in his left eye were possibly due to hay fever and his eyes were fine.

In its final response letter to Mr T, C&G says that T's vet had confirmed that in June 2021 T suffered with Cherry Eye in his left eye. When taking out his policy, Mr T had been asked to confirm the correctness of a number of assumptions, one of which was *"Are you looking for insurance cover for a pre-existing condition?"* Mr T didn't disclose any pre-existing condition of Cherry Eye. Had he done so, C&G would've applied an endorsement to his policy excluding cover on all claims with respect to T's eyes and sight with effect from 2 July 2021.

Mr T was unhappy that C&G had rejected his claim and brought his complaint to this service. Our investigator's view was that there was insufficient evidence to show that the issue with T's left eye in June 2021 was likely to be an associated condition or symptom of the Cherry Eye later diagnosed in September 2021. Her view was that it wasn't fair for C&G to rely on the pre-existing condition exclusion to deny Mr T's claim. She also didn't consider that Mr T had made a misrepresentation when taking out his policy. Her recommendation was that C&G review Mr T's claim in line with the remaining conditions of the policy and that it remove the eye and sight exclusion it had added to the policy.

C&G doesn't agree with our investigator's view and maintains its position that T had been noted to suffer from an eye condition prior to the policy's inception, and it was satisfied that the endorsement for eyes and sight was correctly applied to Mr T's policy.

Mr T's complaint has therefore been passed to me for a final decision from this service.

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, I'm upholding Mr T's complaint and I'll explain why.

I have to consider whether C&G has acted fairly in rejecting Mr T's claim. That involves firstly considering whether C&G has acted fairly in its assessment of whether the condition for which T was treated in September 2021, namely Cherry Eye, was a pre-existing one, defined in the policy as:

"any diagnosed or undiagnosed Condition and/or Associated Condition which has happened or has shown Clinical Signs or Symptoms of existing in any form before the Policy Start Date or within the Waiting Period."

Mr T has explained that he'd been told by T's breeder in June 2021 that what he'd noted about T's left eye might be Cherry Eye, but it could've been caused by a number of other things such as hay fever or pollen. There was no veterinary diagnosis of Cherry Eye in June 2021. Contrary to what C&G has said in its final response letter to Mr T, T's vet did not confirm that T had Cherry Eye in June 2021. Nor has there been any subsequent diagnosis of Cherry Eye in T's left eye. The possibility of Cherry Eye in T's left eye was raised by Mr T with the vet on 18 June 2021 when he was taken for treatment for a tummy upset, who discounted it and said his eyes were fine.

T's vet subsequently confirmed as follows:

"The owner informed me they thought [T] might have had what the owner suspected to be the same in the left eye approximately 3 months prior to my examination on 10/09/2021, however this had quickly gone away without need for medical intervention. As a practice we have never diagnosed [T] with any eye related disorders prior to 10/09/2021. On examination for an unrelated tummy upset on 18/06/21 it was noted by a colleague that the eyes were fine at this time."

I don't consider that the vet would've said that T's eyes were fine in June 2021 had there been any clinical signs or symptoms of any disorder in T's eyes.

C&G hasn't provided any veterinary evidence of its own to support any connection between the Cherry Eye in T's right eye in September 2021 and the inflammation that was noticed in T's left eye in June 2021 which the breeder told Mr T could be Cherry Eye amongst other things, but which the vet saw no signs of.

So I'm therefore satisfied that the Cherry Eye diagnosed in T's right eye in September 2021 was not connected to any pre-existing condition.

I also think it's reasonable for Mr T to have stated when taking out his policy that he wasn't looking to cover any pre-existing conditions. He'd been told by the vet before he applied for the policy that T's eyes were fine. There was therefore no condition nor any signs or symptoms of one that should've been disclosed. In my view there was therefore no misrepresentation, and no endorsement to the policy should've been made.

My final decision

For the reasons I've given above, I'm upholding Mr T's complaint.

I require Casualty & General Insurance Company (Europe) to settle Mr T's claim subject to the other terms and conditions of his policy.

If Mr T's claim is successful, I also require Casualty & General Insurance Company (Europe) Ltd to pay Mr T interest on any sum he has already paid to T's vet at the simple rate of 8% from the date he paid T's vet to the date that payment is made to him.

If Casualty & General Insurance Company (Europe) Ltd considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr T how much it's taken off. It should also give Mr T a tax deduction certificate if Mr T asks for one so he can reclaim the tax from HM Revenue & Customs if appropriate.

Unless the policy has been cancelled, I require Casualty & General Insurance Company (Europe) Ltd to remove the eye and sight exclusion from Mr T's policy terms.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 9 August 2022.

Nigel Bremner
Ombudsman