

The complaint

Miss J has complained that Royal & Sun Alliance Insurance Limited (RSA) unfairly and unreasonably refused to pay her claims under her pet policy.

What happened

Miss J insured her cat with RSA. But rather than renewing her policy each year, she went online to buy a new policy, until September 2020 when the policy did then renew.

Miss J made the following claims which RSA refused to pay, because it decided that they related to pre-existing conditions. It initially said it was because these symptoms started within the first 14 days of the policy starting but that was a mistake. It offered £75 compensation for this error causing further confusion.

- For treatment for pharyngitis in the sum of £173.42 for treatment from 23 March 2021 to 25 June 2021.
- For treatment for gastritis in the sum of £185.17 for treatment from 4 August 2021 to 19 August 2021.
- For treatment for Gastritis in the sum of £455.31 for treatment from 1 September 2021 to 13 December 2021.

Miss J's cat is elderly and has a complicated medical history with pre-existing pancreatitis and Irritable Bowel Disease. However, RSA did cover claims for gastritis between January 2021 and July 2021. It considered this was a one-off instance of gastritis, so it decided to pay it in good faith. It considered the further claims for gastritis were linked to chronic constipation. It also said in its final response letter it believed Miss J's cat wasn't suffering from chronic gastritis.

However, it then told the investigator in May 2022 that Miss J's cat did have chronic gastritis. On this basis and the vet evidence from Miss J's vets the investigator was of the view the cat's chronic gastritis began in late December 2020 which was after the policy renewed in September 2020. So, RSA should pay the claims relating to gastritis. She also couldn't see any evidence from the vet history that the claim for pharyngitis was pre-existing so thought that claim should also be paid.

Given the refusal to pay Miss J's claim caused distress and inconvenience, the investigator thought RSA should also pay Miss J an additional compensation of £250.

Miss J agreed with the investigator's view, RSA didn't. I actually find it difficult to understand RSA's reasoning as to why it didn't agree. But it appears to have reverted back to deciding the cat didn't have chronic gastritis but instead had chronic constipation which it considered was most definitely pre-existing. On that basis Miss J's complaint has been passed to me to decide.

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 this complaint. I'll now explain why.

The first issue is to decide if the claims related to chronic gastritis or chronic constipation as RSA believes.

It's very clear from the evidence provided by Miss J's vet that they wrote to RSA's vet on 25 May 2021 saying they believed the gastritis started in late December 2020 when the cat was beginning to have uncontrolled gastrointestinal signs. They said the constipation issues are likely to be secondary to the reduced appetite and water intake when he was having a flare up of gastritis or pancreatitis (which incidentally is a pre-existing condition) as well as being attributable to his senior years in age. They said due to the complexity of the cat's conditions with some overlap of symptoms, there has to be a certain degree of presumption.

Then Miss J's vet following some email exchange with RSA's internal vet culminating in a letter from Miss J's vet of 4 June 2021 who detailed out certain issues in the vet history agreed the episode between 3 February to 5 February 2021 were signs which could be attributed to any of the conditions so RSA's vet was happy to cover these. And further RSA's vet agreed cover from 8 March 2021 onwards as it was fair to accept that the signs were attributed to gastric ulceration.

So, RSA paid Mrs J's claims for gastritis between January 2021 and July 2021 on this basis. Her vet is of the view that the claims for treatment for gastritis in the sum of £185.17 for treatment from 4 August 2021 to 19 August 2021 and again for treatment for Gastritis in the sum of £455.31 for treatment from 1 September 2021 to 13 December 2021 are a continuation of this chronic gastritis.

The vet clearly states this in her letters to RSA of 8 September 2021 where she lists the medications they have prescribed for the cat and confirm the cat is only being medically managed for his chronic gastritis. And further on 15 October 2021 the vet again confirms one medication called cobalapep costing £4.47 would not be used for chronic gastritis but for inflammatory bowel disease which is now excluded from Miss J's cover, so the remainder of the claim should be paid as relating to gastritis.

RSA without providing any evidence from its internal vet is of the view that the paid claim for gastritis from March 2021 was a one-off acute episode. It talks of the present claims for gastritis to be (ARD/GE) which it considers is pre-existing as it started in September 2020. It appears to claim this was discussed between its internal vet and Miss J's vet as detailed in the letter from Miss J's vet of 4 June 2021 but that doesn't appear clear to me at all. I consider the lack of clarity surrounding this fails to persuade me that Miss J's vet is wrong, so I find that she is far more persuasive as to her conclusions that these claims are properly for chronic gastritis and should be paid with interest if Miss J has already discharged her vet fees.

I don't consider Miss J's vet ever thought the cat was suffering chronic constipation as she explains to RSA's vet the constipation issues arise due to anorexia and lack of water intake due to when he was having a flare up of gastritis or pancreatitis as I detailed above. I do appreciate and understand there were issues of megacolon previously, but this is not part of these claims. And furthermore, there's no evidence before me to show me the treatment detailed in the claims concerned chronic constipation as opposed to chronic gastritis.

It is RSA's burden of proof to explain why something shouldn't be covered and I must say I've found its evidence and arguments lacking in comprehensive detail which failed subsequently to coherently explain its position in this case.

As regards the claim for pharyngitis RSA said this was pre-existing but like the investigator, I can't see anything in the vet history or otherwise to show it was pre-existing. It doesn't deal with this in its response to the investigator asking for an ombudsmen decision. Therefore, I consider this should also be paid with interest if Miss J has already discharged her vet fees.

I agree that this matter has caused Miss J some significant inconvenience and distress and I agree with the investigator's suggestion that RSA should pay her an additional £250 compensation.

My final decision

So, for these reasons it's my final decision that I uphold this complaint.

I now require Royal & Sun Alliance Insurance Limited to do the following:

- Reconsider all three claims namely; treatment for pharyngitis in the sum of £173.42 for treatment from 23 March 2021 to 25 June 2021; treatment for gastritis in the sum of £185.17 for treatment from 4 August 2021 to 19 August 2021; treatment for Gastritis in the sum of £455.31 for treatment from 1 September 2021 to 13 December 2021 under the remaining terms and conditions of the policy with a firm view of paying them.
- Add interest of 8% simple per year if Miss J has discharged these vet fees, from the date she discharged them, to the date it refunds her. If income tax is to be deducted from the interest, appropriate documentation should be provided to Miss J for HMRC purposes.
- Pay Miss J an additional sum of £250 in addition to the £75 previously offered as compensation for the inconvenience and distress this matter caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 7 October 2022.

Rona Doyle
Ombudsman