

## **The complaint**

Mrs W complains that Red Sands Insurance Company (Europe) Limited declined her pet insurance claim. My references to Red Sands include its agents.

## **What happened**

On 9 March 2022 Mrs W took out pet insurance for two kittens she'd recently adopted from a rescue place. Red Sands was the insurer.

The same day Mrs W took the kittens to the vet for a preliminary check-up. She says both kittens were diagnosed as having cat flu but were otherwise fine and they were booked to see the vet a month later to be castrated. At the 6 April 2022 appointment the vet found that one kitten, who I'll refer to as B, hadn't gained any weight and blood tests were recommended. Mrs W says she called Red Sands to check the blood tests would be covered and was told they would be.

B had the blood tests which Mrs W claimed for. But over the next few days B's health declined rapidly. Before the test results were received sadly B had to be put to sleep.

Red Sands declined the claim. On 11 April 2022 Mrs W's vet had noted B's ill health was suspected to be due to feline infectious peritonitis (FIP). Red Sands said B showed symptoms of FIP at the 9 March 2022 vet appointment which was during the first 14 days of the policy start date. That meant under the policy terms the condition was considered to be pre-existing and not covered. Red Sands said when Mrs W called about cover for the blood tests it told her cover couldn't be guaranteed without an assessment of the claim.

Mrs W complained to us. She said:

- Her vet had written to Red Sands saying B's symptoms on 9 March 2022 weren't symptoms of FIP but Red Sands still wouldn't pay.
- Red Sands declined a claim for B's death when she hadn't submitted such a claim. She thinks Red Sands should look at a claim for his death separately.
- Red Sands not paying the claim had been stressful particularly when it sent her a card to acknowledge B had died but had accidentally put her name rather than B's name.
- She wants Red Sands to pay her claim for the investigations.

Our investigator said Red Sands unfairly declined the claim for investigations as she didn't think B's symptoms in March 2022 were linked to the suspected FIP in April 2022. She recommended Red Sands pay the claim subject to the policy limit and excess plus interest and it should consider a claim for B's death if Mrs W wanted to make that claim.

Mrs W agrees with our investigator's recommendations. Red Sands disagrees and wants an ombudsman's decision. It detailed why it thought B's symptoms seen from 9 March 2022 were related to his suspected FIP and said an independent vet who it asked to review B's medical history agreed.

## **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.

The relevant regulator's rules say that insurers must handle claims promptly and fairly and they mustn't turn down claims unreasonably. I think Red Sands unreasonably declined the claim for investigations. I'll explain why.

The policy specifically doesn't cover:

*'Pre-existing conditions*

*Any claim or costs for existing conditions, which means any... illness that relates to or results from an... illness or where (B) showed observable changes to his normal healthy state, condition, appearance, bodily functions or behaviour that could be observed visually, diagnostically or otherwise before or within 14 days of your policy's original start date.*

*You don't have to declare your existing conditions upfront. Upon your first claim we will request all of B's medical records and will let you know what conditions will be excluded'.*

Mrs W's policy started on 9 March 2022 so the 14 day period would be 23 March 2022. B was unwell on 9 March 2022 so if Red Sands could show that the symptoms were related to FIP it may be able to decline the claim.

I've considered the details Red Sands has given as to why it believes B's symptoms from 9 March 2022 were related to his suspected FIP. Red Sands said an independent vet agreed with its view, but I've not seen any evidence directly from the independent vet.

But even if the vet Red Sands instructed does think B's March 2022 symptoms were related to FIP I also have to consider the evidence from Mrs W's vet. She wrote to Red Sands saying:

*'Please be informed that we would not consider mentioned symptoms from 9/3/22 ('R(right) eye conjunctivitis, sneezing ++ ') as symptoms of FIP. These are symptoms of feline upper respiratory tract infection, which is completely different disease than FIP (Feline Infectious Peritonitis).*

*Please refer to article: (details of publication given) other available sources, such as (details of sources given). None of the sources confirms that either 'wet' or 'dry' form of FIP would be associated with conjunctivitis or sneezing'.*

Mrs W's vet's evidence is the only direct vet evidence I've seen and that vet's clear opinion is B's symptoms seen in March 2022 weren't symptoms of FIP. Red Sands hasn't made any comment on the evidence in the publications that Mrs W's vet referred to in support of her opinion. I'm persuaded by the evidence of Mrs W's vet that B's March 2022 symptoms weren't symptoms of FIP.

Mrs W's vet practice notes of 7 April 2022 say B may have *'FIV/FELV /FIP also as now more neurol. signs e.g HL ataxia / licking walls'*.

The vet notes of 11 April 2022 say *'Diagnosis - still open but strongly susp FIP; or congenital issue'*.

So the evidence is Mrs W's vet didn't think B showed symptoms of FIP until April 2022, which is outside the first 14 days of the policy.

As I don't think Red Sands has shown B did have symptoms of FIP before the policy started or within the first 14 days of the policy I find that Red Sands unfairly relied on the pre-existing condition exclusion to decline the claim for investigations.

The policy does cover some costs in the event of a pet's death. If Mrs W wants to make a claim for B's death Red Sands should assess that claim. If the parties can't agree on the outcome of that claim Mrs W can make a separate complaint to us on the matter

I'm sorry to see Red Sands wrote Mrs W's name, rather than B's name, in its condolence card. That must have been upsetting for Mrs W. But Mrs W accepts the mistake was accidental and I don't think it's appropriate for me to award compensation in relation to that matter.

### **Putting things right**

Red Sands must pay the claim for investigations subject to the policy limit, less any excess. If Mrs W has already paid the vet costs Red Sands must add interest as detailed below.

### **My final decision**

I uphold this complaint and require Red Sands Insurance Company (Europe) Limited to pay the claim for investigations subject to the policy limit, less any excess. If Mrs W has already paid the vet costs interest\* must be added at 8% simple a year from the date Mrs W paid the vet to the date of settlement.

\*If Red Sands Insurance Company (Europe) Limited considers that it's required by HM Revenue & Customs to take off income tax from that interest it should tell Mrs W how much it's taken off. It should also give Mrs W a certificate showing this if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 2 November 2022.

Nicola Sisk  
**Ombudsman**