

## The complaint

Mr W's unhappy with Pinnacle Insurance Plc's decision to decline his claim made on a pet insurance policy.

## What happened

Mr W's annual policy for his pet cat started in February 2022. His vet contacted Pinnacle to make a claim for vets' fees incurred between February and May 2022 after his cat fell ill and needed treatment. The claim form noted the condition claimed for was '*Skin Lesions*'.

Pinnacle considered the claim but told him it wasn't prepared to pay it on the grounds that the policy excluded claims arising within 14 days of the start of cover. As the vet had submitted the claim as one, Pinnacle felt even the costs incurred after the end of the 14-day period should be excluded as they related to the original overgrooming/skin condition issues experienced from the start.

Unhappy with Pinnacle's decision, on the grounds that he wasn't claiming for the costs incurred in the first 14 days – only the costs incurred after that date – Mr W brought a complaint to this service. Our investigator looked into the complaint and recommended that it should be upheld. They felt Pinnacle should pay for treatment given after the 14-day period had expired as it hadn't been shown that it was for a related condition.

The complaint was passed to me to consider afresh as Pinnacle wasn't prepared to accept the investigator's findings.

## 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've decided to uphold the complaint. I'll explain why.

I think it's important to start by explaining what the relevant policy terms and conditions say. They explain that, subject to certain exclusions, Pinnacle will pay the cost of vets' fees for a condition. Those exclusions include treatment for any illness which occurs or shows symptoms within 14 days of the start date of the policy. The terms also excluded costs resulting from conditions or symptoms starting before the policy started – these are sometimes referred to as pre-existing medical conditions (PEMCs).

'*Illness*' is defined in the policy as:

*'physical disease, sickness, abnormality, infection, or failure which is not caused by an accidental injury. This includes symptoms, whether or not diseased.'*

'*Symptoms*' are defined as '*a change in your pet's normal healthy state, its bodily functions or behaviour.*'

Pinnacle says the illness Mr W claimed for in May 2022 – relating to skin lesions – first arose in February 2022 (and possibly before).

I've looked very carefully at the vets' notes for the appointment that took place within 14 days of the start of the policy in early February 2022. They show that Mr W's cat was noticed as having a bald patch on its right front leg which the vet felt had been caused by licking. The cat was otherwise well, and Mr W was advised to revisit.

A further entry in the vets' notes for late February 2022 – after the 14-day period – says examination revealed the bald patch hadn't improved. The vet discussed the causes of overgrooming with Mr W. Treatment was given.

The next set of vets' notes were for April and May 2022. These record that the vet had now found a small hard lump under a bald patch and a lesion in the shoulder region. Investigations were carried out and treatment provided. By mid-May 2022, Mr W's cat was doing well, and the lesions found on both front legs had completely resolved. Just after that, Pinnacle received the claim.

On the above grounds, Pinnacle says the costs claimed for in May 2022 arose from a condition that existed within the first 14 days of the start of the policy, and which was pre-existing as per the policy terms.

Where an insurer declines a claim based on a policy exclusion, as in this case, we'd typically expect it to demonstrate that the exclusion applies on the balance of the available evidence.

In the circumstances, I don't believe that it's fair for Pinnacle to rely on the exclusions it cites on this occasion. I say that because of the content of the medical records from the time, as summarised above, and because of the further insight into the medical history provided by the treating vet after the claim was submitted.

In May 2022, the vet explained they felt a lump in April 2022 and was concerned it was a foreign body due to its firmness. So, they booked Mr W's cat in for examination under anaesthetic and for x-rays. The vet said the lump hadn't been noted in any prior investigations and that it shouldn't be assumed it was present when the policy started. They said they wouldn't have recommended such a course of action simply for skin cases as they can be managed medically. The vet confirmed the only reason the cat was x-rayed was due to the lump that had appeared and that they couldn't confirm if the lump was linked to the earlier skin issue.

In June 2022, the vet spoke to Pinnacle over the phone in support of the claim. They explained that in their view the lump found was unrelated to the skin issue and was incidental to it.

I realise that Pinnacle's reached a different conclusion as to whether the lump and the previous skin problem were linked. That said, I'm mindful that Mr W's treating vet was responsible for the cat's care and had the benefit of carrying out physical examinations. Pinnacle, on the other hand, hadn't examined Mr W's cat and provided an opinion based entirely on the available papers. As such, I've placed greater emphasis on the opinions and findings of the treating vet as they're a medical expert and I believe they had greater insight into the issues Mr W's cat experienced.

So, I think there's significant doubt around whether the condition discovered after the first 14 days of the policy was connected to any conditions present before the policy started or within the first 14 days of it starting.

Taking everything into account, I'm not persuaded that it was fair for Pinnacle to rely on the exclusions it's referred to in declining Mr W's claim in its entirety. I believe the evidence shows on balance that, although Pinnacle needn't cover the costs incurred in February 2022, it should have covered those incurred in April and May 2022.

### **Putting things right**

Pinnacle should pay Mr W's claim in line with my findings above and the remaining policy terms and conditions. It should add interest to the payment at the simple annual rate of 8%, calculated from the date Mr W paid any relevant vets' fees to the date of Pinnacle's payment to him. †

† HM Revenue & Customs requires Pinnacle to take off tax from this interest. Pinnacle must give Mr W a certificate showing how much tax it's taken off if he asks for one.

### **My final decision**

For the reasons given, I've decided to uphold this complaint. I require Pinnacle Insurance Plc to put things right for Mr W, as explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 24 February 2023.

Nimish Patel  
**Ombudsman**