

## **The complaint**

Mrs Y has complained that Red Sands Insurance Company (Europe) Limited (Red Sands) has declined her claim for treatment for her pet dog on the ground that the treatment was for a condition that pre-existed the commencement of her policy.

I've previously issued a provisional decision in this case. In response to this Red Sands provided further information which I've taken into account and which I'll refer to below.

## **What happened**

The background to Mrs Y's complaint has been given by our investigator in her view of this complaint so I won't repeat it here in detail. In summary, Mrs Y's dog, who I'll refer to as "M", was insured under a Prime Plus time limited policy with Red Sands from 2016. On 9 December 2016 she was treated for an ear infection which had been diagnosed as Otitis. Under this policy, any treatment for this condition expired on 8 December 2017.

On 6 June 2017, Mrs Y changed M's insurance to a Super Lifetime policy. In 2020 M was treated for a skin condition. When Mrs Y claimed for the cost of this treatment, Red Sands declined her claim on the ground that it was allergy related and was connected to the condition with which she presented in December 2016, and this pre-existed the start of M's Super Lifetime policy.

Mrs Y didn't agree with Red Sand's decision that it wouldn't cover M's ongoing allergy treatment as it was a pre-existing condition, so she brought her complaint to this service. Our investigator's view was that based on M's clinical history and the opinion of Red Sands' consultant vet, there were signs of allergies going back to 2016 on the basis that Otitis is related to allergies. She was satisfied that Red Sands has acted fairly by declining Mrs Y's claim based on M's condition existing before the start of M's current policy.

Mrs Y didn't agree with our investigator's view and requested that her complaint be referred to an ombudsman. It's been referred to me for a final decision from this service. I issued a provisional decision upholding Mrs Y's claim.

## **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, and having taken into account Red Sand's further submissions in response to my provisional decision, I'm continuing to uphold Mrs Y's complaint and I'll explain why.

I consider the issue in this case is whether there is a connection between the ear infection, diagnosed as Otitis, for which M was treated in December 2016, and the skin irritation for which she was treated in 2020. If they are related, then the latter condition would not be covered under the term of M's policy which excludes cover for:

*"any claims or costs for or relating to a pre-existing conditions(s) or for an accident,*

*injury or illness that first showed clinical signs at any time before the commencement date of the policy or within 14 days of the commencement date.”*

A number of specific exclusions were retrospectively added by Red Sands to Mrs Y's Lifetime policy effective from 6 June 2017 on the basis of which her claim was denied.

I've looked at M's clinical notes. Red Sands argues that the condition with which M presented to her vet on 9 December 2016 is connected to M's subsequent treatment for allergies in 2021. The notes made by M's vet until 24 July 2018 (when a new veterinary practice took over M's care), make no mention of M having any allergy in December 2016 or at any other time until the new vet took over.

From 25 July 2018, the notes made by M's new vet also make no mention of M having any allergy until 26 November 2020 when the notes say she had no other skin problems, but allergy bloods were advised.

In my provisional decision I said I thought it was relevant that between 9 December 2016 and 26 November 2020, although M was treated for ear issues on a number of occasions, and from July 2019 there was regular emptying of M's anal glands, there was no mention of M suffering from any allergies. On 8 May 2019 (so well after the Lifetime policy started) the vet's notes specifically state “no signs of allergies”.

Mrs Y has made reference to research she has undertaken into the Otitis with which M was diagnosed in December 2016. According to this information, allergies can be one cause of Otitis, but there are a number of others including the shape of a dog's ear and over enthusiastic cleaning. Mrs Y has said that she was told that she was using too much liquid cleaner when cleaning M's ears, which may have caused problems. She has also referenced information about a number of characteristics of M's breed that make her predisposed to ear problems such as grass seeds, which can lead to Otitis, and yeast infections.

I've taken into account the view expressed by Red Sands' consultant vet. She states that:

*“Allergies were suggested as a cause of her (M's) symptoms in 11/2020, when both ears and anal glands continued to be a recurring issue. No new symptoms were noted to prompt this diagnosis, it was simply the recurring and chronic nature of both issues that led to further workup.”*

Whilst I'm not a vet, I was persuaded that were a number of other possible causes for M's Otitis in 2016 and the intermittent ear issues that M had thereafter. I also said I found it unlikely that an allergy said by Red Sands to be present in 2016 would not have manifested itself again until November 2020.

My preliminary conclusion was that I didn't consider that Red Sands had provided sufficiently persuasive evidence that the symptoms of allergies that M displayed in December 2020 and for which she received treatment were related to the Otitis with which she was diagnosed in 2016. As Red Sands relies upon this to deny Mrs Y's claim, the burden is on it to provide sufficient evidence to support its case.

My preliminary view was that as M was diagnosed with Otitis before Mrs Y took out the Lifetime policy, it would be reasonable for Red Sands to exclude cover for any treatment for M's ears with effect from 6 June 2017. I considered that any further exclusions would be unreasonable as there was insufficient evidence that they are related to a pre-existing condition.

In response to my provisional decision Red Sands provided further information in support of its view that M's allergies that were diagnosed in 2020 had their origins in the ear issue that M had in 2016. I have therefore re-visited M's veterinary records and have taken into account the further information about allergies provided by Red Sands. Having done so, I remain unpersuaded that it is more likely than not that M's ear condition in 2016 was allergy related. It was diagnosed as Otitis, and although I understand that an allergy can be a cause of Otitis, there are a number of other possible causes.

Prior to 9 December 2016, M was not recorded as showing any outwards signs of an allergy such as itching or paw licking. She was provided with some treatment. The next reference to any ear issues was a reference to itching on 15 April 2019.

I understand from the further information provided by Red Sands that allergies can be difficult to diagnose, but I find it surprising that if M was suffering from any food or environmental allergy in December 2016 which manifested itself in an ear problem, that it didn't potentially manifest itself again until 15 April 2019 at the earliest. Three weeks later the vet recorded "*ears look great .... no signs of allergies*". Red Sands hasn't provided any explanation for the lack of symptoms between 2016 and 2019.

It was only in 2020 that manifestations became increasingly regular, such as the frequency of anal gland emptying, and in November 2020 an allergy was suspected and subsequently identified. There is no record of any such suspicion prior to 2020.

So I don't consider that Red Sands has proved, as it needs to do to rely upon an exclusion in Mrs Y's policy, that what was identified as an allergy in 2020 was a symptom of a pre-existing condition that was present in 2016, given the significant period over which no further symptoms were recorded.

I'm therefore maintaining my original decision.

### **My final decision**

For the reasons I've given above, I'm upholding Mrs Y's claim.

I require Red Sands Insurance Company (Europe) Limited to remove from Mrs Y's policy the retrospective exclusions it applied other than that relating to any problem with M's ears, and thereafter to settle Mrs Y's claim subject to any other terms and conditions of her policy.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs Y to accept or reject my decision before 8 December 2022.

Nigel Bremner  
**Ombudsman**