

## The complaint

Mr L has complained that Casualty & General Insurance Company (Europe) Limited (C&G) has declined his claim for veterinary treatment for his dog on the ground that it is excluded by endorsements relating to a pre-existing medical condition.

## What happened

Mr L took out a policy with C&G for his dog, who I'll refer to as "T", on 2 February 2021. On 20 September 2021, T was taken to his vet with lameness in his right hind leg. T was found to have a ruptured cruciate ligament. The treatment required x-rays and an operation. Mr L claimed for the cost of T's treatment from C&G.

C&G referred to T's previous veterinary history. It noted that on 3 February 2020 T had attended the vet for lameness which the vet thought to be a sprain to his left hind leg although no formal diagnosis was made. It says that if Mr L had disclosed the clinical signs and symptoms of this issue to it, it would've applied endorsements to his policy from inception, as its policies don't cover any claims where the condition or signs and symptoms were present prior to the inception of the policy. It therefore applied the following endorsements retrospectively:

*'Excludes cover on all claims with respect to Anything to do with the Lameness that occurred on 03 February 2020 and Associated Conditions with effect from 02 February 2021.'*

*"Excludes cover on all claims with respect to Both Stifles with effect from 02 February 2021."*

It did this by reference to the following term of the policy:

*"General Exclusions*

*The following exclusions apply to the whole of this Policy. We will not pay claims for any of the following reasons;*

- If We are made aware of any Pre-existing Conditions at the time of a claim, these Pre-Existing Conditions will not be covered and We reserve the right add a relevant endorsement(s) to Your Policy in respect of these Pre-Existing Conditions".*

A Pre-Existing Condition is defined 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."*

C&G therefore declined Mr L's claim on the ground that the condition claimed for was present prior to the inception of the policy and was excluded by virtue of the above endorsements.

Mr L wasn't satisfied with C&G's response to his claim and brought his complaint to this service. Our investigator's view was that there was no support for C&G's opinion that the condition diagnosed in 2021 was pre-existing or linked to the condition noted in 2020. She therefore didn't think it was fair or reasonable for C&G to decline the claim for T's condition.

C&G doesn't agree with our investigator's view and has asked that the matter be referred to an ombudsman. It's therefore been referred 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 L's complaint and I'll explain why.

I've looked at T's veterinary history and in particular the vet's notes relating to T's treatment on 3 February 2020 and on 20 September 2021 and following, including the intervening period.

From these I see no evidence that the left hind leg issue that the vet suspected was a sprain necessitated any further visits to the vet, nor that the right hind leg displayed any problems until it was referred to the vet some 19 months later when T was diagnosed as having a ruptured cruciate ligament. There's nothing in T's veterinary history to suggest he had previously suffered a cruciate rupture or that the conditions are linked.

C&G has argued that in the vast majority of dogs, the cranial cruciate ligament ruptures as a result of long-term degeneration, whereby the fibres within the ligament weaken over time. In my view that doesn't assist C&G as it doesn't provide a connection between T's injury to his left hind leg in February 2020 and his ruptured right hind leg cruciate some 19 months later with no intervening signs of problems in either leg.

It's clear that the policy doesn't cover pre-existing conditions, and it gives C&G the right to add an endorsement retrospectively if it is made aware of any pre-existing conditions at the time of a claim. But in my view, for any such endorsement to be fair, there must exist a pre-existing condition, that is one that has shown clinical signs or symptoms prior to the inception of the policy or within the following 14 days, that is connected to the condition to which the claim relates.

I don't consider that it was fair for C&G to have introduced the endorsements to Mr L's policy upon which it seeks to rely to decline his claim based upon what the vet thought was probably a sprain from which T appears to have fully recovered after some rest. T visited the vet on nine other occasions between 3 February 2020 and 20 September 2021 but these were for routine booster vaccinations and other issues, and at none of these visits was any reference made in the vet's notes to any issues with either of T's hind legs.

So I agree with our investigator that there's no evidence supporting C&G's view that T's right hind cruciate rupture in 2021 was connected to his left hind leg issue 19 months before. I consider it likely that if there had been clinical signs or symptoms of lameness attributable to a cruciate issue in 2020, these would have re-occurred in the period between February 2020 and September 2021.

My conclusion is therefore that I don't consider that the treatment for which Mr L is claiming relates to a pre-existing condition, or that C&G has acted fairly in declining his claim on the basis of the endorsements applied to his policy.

### **My final decision**

For the reasons I've given above, I'm upholding Mr L's complaint.

I require Casualty & General Insurance Company (Europe) Limited to settle Mr L's claim subject to the other terms and conditions of his policy. If Mr L has already paid to the vet any part of the sum claimed, this should be reimbursed to him.

I also require Casualty & General Insurance Company (Europe) Limited to pay Mr L interest on any sum so paid to him by way of reimbursement at the simple rate of 8% from the date he made payment to the date that payment is made to him.

If Casualty & General Insurance Company (Europe) Limited considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr L how much it's taken off. It should also give Mr L a tax deduction certificate if he asks for one so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 16 February 2023.

Nigel Bremner  
**Ombudsman**