

The complaint

Mr and Mrs B have complained that Covea Insurance plc unfairly declined a claim under a pet insurance policy.

What happened

Mrs B took out a pet insurance policy with Covea on 18 February 2021 for a dog whom I'll call C. The policy was renewed on 18 February 2022.

In March 2022 she took the dog to the vet for diarrhoea, vomiting and abdominal pain. After tests C was diagnosed with inflammatory bowel disease. She made a claim to Covea for the total cost of treatment being £3,927.63.

After looking at C's veterinary history, Covea declined the claim. It said according to the previous vet's records C had presented similar symptoms (vomiting and diarrhoea) on 5 and 13 February 2021 before the policy had been taken out. Covea referred the case to an independent vet who'd concluded that there was a high chance both illnesses were related. So it declined the claim on the basis that the policy didn't cover pre-existing conditions.

Mr and Mrs B disagreed. They produced evidence from their former vet who said there was no diagnosis for what had caused the vomiting and diarrhoea in February 2021 and it was most likely due to gastroenteritis of unknown cause. Covea didn't change its decision

As Mr and Mrs B were unhappy with this response, they brought a complaint to this service. Our Investigator recommended that Covea should settle the claim and also pay simple interest at the rate of 8% on the settlement.

Covea has asked for an Ombudsman's decision.

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.

Mrs B's current vet has confirmed that C was seen for the first time at their clinic in November 2021 because of "*repeated episodes of vomiting and diarrhoea since September 2021.*" C was eventually diagnosed with inflammatory bowel disease.

The crux of this complaint is whether the treatment for inflammatory bowel disease is the result of a pre-existing condition, a clinical sign of which was the vomiting and diarrhoea C had suffered from just before the policy started.

Mr and Mrs B's policy, like many other pet policies, doesn't cover pre-existing conditions. It says:

"What we will not pay

...

*The cost of any **treatment** for a **pre-existing condition**.”*

The term “*pre-existing condition*” is defined in the policy as:

*“An **injury** that happened or an **illness** that first showed clinical signs before **your pet’s** cover started, or
An **injury** or **illness** that is the same as, or has the same diagnosis or clinical signs as an **injury, illness** or clinical sign **your pet** had before its cover started, or
An **injury** or **illness** that is caused by, relates to, or results from, an **injury, incident, illness** or clinical sign **your pet** had before its cover started.
No matter where the **injury, illness** or clinical signs are noticed or happen in, or on, **your pet’s** body.”*

I think this exclusion was clear. So, I’ve gone on to consider whether it was reasonable for Covea to apply it to decline the claim. As a general principle, where an insurer relies on an exclusion, the onus is on them to show it was reasonable to apply it. That means Covea should establish that Mr and Mrs B’s dog had clinical signs of inflammatory bowel disease before the policy started in order to rely on this exclusion. With this in mind I’ve looked at the history of the dog’s previous visits to the vet.

In early February 2021 before the policy started, Mrs B’s vet at that time noted being told by Mrs B that the dog had vomited a large amount of digested food. On 12 February 2021 the vet recorded C as having occasional diarrhoea. On 13 February the vet noted further vomiting and some red drops of blood from the dog’s anus.

When asked for more information about what might have caused the vomiting and diarrhoea between 5 and 13 February 2021, that vet said:

“There is no diagnosis for what may have caused the vomiting and diarrhoea at these dates. It was most likely gastroenteritis of unknown cause.”

The veterinary practice which treated C between November 2021 and March 2022 said:

“After a few months of treatments and investigations, on the 18th March 2022 she was diagnosed with a chronic lymphoplasmacytic gastritis and duodenitis and a chronic erosive neutrophilic, eosinophilic and lymphoplasmacytic colitis with a gut-associated lymphoid tissue hyperplasia.

...

These findings are highly compatible with Inflammatory Bowel Disease (IBD) what we can now confirm due to the efficacy of the treatment. Even if there is any possibility of histiocytic ulcerative colitis, this cannot be related to the dietary indiscretion episode from when she was a puppy as this type of colitis is caused by an inflammatory cell infiltration, which means a type of IBD and should not be excluded.”

The independent vet consulted by Covea was given the clinical history from the first vet and details of the claim. He thought it was “*highly likely*” that the earlier vomiting and diarrhoea was related to the current claim.

This service has a long-standing approach when considering complaints regarding pre-existing conditions. We consider it fair and reasonable for a business to decline a claim on the basis of a pre-existing condition only where the consumer had reasonable knowledge of something that could at some point give rise to a claim.

Mrs B thinks the sickness and diarrhoea C had suffered in February 2021 was caused by “*something nefarious in the garden which she consumed*.” Covea referred to the vet’s notes

on this point which said “*no hx of fb ingestion*”. I take this to mean that C had no history of eating foreign bodies. But the vet didn’t say that the dog hadn’t eaten a foreign body – just that she hadn’t been known to have done this previously. The dog was a young puppy at the time, so the lack of such a history doesn’t seem surprising.

In this case C had not been diagnosed with any particular illness in February 2021. Vomiting and diarrhoea are generic and commonly occurring symptoms which might reasonably be taken to be a one-off incident rather than a symptom of a more serious underlying condition. The vet who treated C at that time thought it was due to gastroenteritis (an intestinal infection) with an unknown cause. I don’t think it’s fair and reasonable in this case to treat C as having a pre-existing condition of inflammatory bowel disease. This is because I don’t think Mrs B would have had any specific cause for concern about this when the policy was taken out or that she would have reasonably known C had a condition which might require future treatment.

Taking everything into consideration, I’m not satisfied that Covea fairly declined the claim in line with the policy terms.

My final decision

For the reasons set out above, I uphold this complaint and require Covea Insurance plc to:

- settle the claim subject to the remaining terms and conditions of the policy; and
- pay simple interest of 8% on the settlement sum from the date the claim was made until settlement.
- If Covea Insurance plc considers it is required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mrs B how much it has taken off. It should also give Mrs B a tax deduction certificate if Mrs B asks for one so that 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 B and Mr B to accept or reject my decision before 30 June 2023.

Elizabeth Grant
Ombudsman