

The complaint

Miss J complains Casualty & General Insurance Company (Europe) (CGI) unfairly declined a claim under her pet insurance policy. She's also unhappy they added an exclusion to her policy.

What happened

Miss J took out her CGI pet insurance policy in mid-September 2021. And in February 2022 she submitted a claim after her puppy needed investigations for "vomiting/regurgitation."

CGI considered Miss J's claim; but felt it should be declined. They explained her policy didn't cover pre-existing conditions, and as her puppy had been to the vet for vomiting during the 14-day waiting period of the policy, her claim was caught by this exclusion. Given they felt Miss J's puppy had a pre-existing condition, CGI said an exclusion was being placed on the policy for "all claims to do with The Digestive System and any resulting conditions".

Miss J disagreed with CGI's decision and provided information from her vet that suggested the claim was unrelated to the vet visit that occurred in September 2021. CGI wasn't persuaded to change their mind, so Miss J brought her complaint to our Service.

Our investigator didn't uphold Miss J's complaint. She explained the evidence initially provided by Miss J's vet when submitting the claim persuaded her CGI had applied the exclusion fairly.

Miss J disagreed and maintained diarrhoea and vomiting is common in puppies, and in turn didn't think her September and October 2021 vet visits were related to her claim. As our Investigator wasn't persuaded to change her opinion, Miss J asked for her case to be passed to an ombudsman for a decision.

I issued my provisional decision on 2 March 2023. In this, I explained I was minded to uphold Miss J's complaint because I wasn't persuaded the pre-existing conditions exclusion applied to her puppy's claim.

Miss J accepted my provisional decision, but CGI did not. When responding they explained the medical notes provided by Miss J's vets suggested the puppy was suffering with digestive issues during the policy's waiting period. As such they maintained it was fair for them to decline Miss J's claim, and to apply an exclusion for digestive issues to the policy.

I've considered the further points provided by CGI; but they haven't persuaded me to change my decision. I'll explain the reasons why, below.

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 considered everything, I'm upholding Miss J's complaint for the reasons below.

I've reviewed Miss J's policy and seen in the section headed "*Section 11 – General Exclusions*" it says:

"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 the Pre-Existing Conditions."

The policy also defines a pre-existing condition 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.*"

Given the above, I'm satisfied Miss J's policy doesn't provide cover for pre-existing conditions. So, I've had to consider if the reason for Miss J's puppy to visit the vet in late September meets the criteria detailed in the terms and definition detailed above.

The medical history notes show Miss J's puppy visited the vet once during the 14-day waiting period because he was experiencing diarrhoea and had vomited that morning. There were two more visits, for the same symptoms, two weeks later. However, the notes from the last of those visits indicated there had been some improvement.

Given vomiting (during the waiting period) was mentioned in the medical history notes, I can understand why CGI may have considered that to be relevant when considering Miss J's claim for "vomiting/regurgitation" in February 2022. However, given five months passed between the September/October 2021 visits and the ones subsequently claimed for, I'd need to be persuaded as to why CGI considered the symptoms to be "*associated*", in order to clearly justify their decision to decline Miss J's claim - and apply an exclusion on her policy for any claims related to the digestive system.

I've seen that Miss J's vet wrote to CGI and disagreed with their decision to decline the claim. They explained that when the puppy was seen in late September/October 2021, it was for diarrhoea with "a small component of sickness". They went on to explain that the symptoms were almost completely resolved by the third visit in October 2021; and there was no diagnosis. However, as he was a new puppy "it could have been due to a new diet, circulating bug etc" and that the puppy was fine until the visit in February 2022 when he was being treated for vomiting/regurgitation. The vet also explained he believed Miss J's puppy has a reflux condition/hiatal hernia and he'd never presented symptoms for this before February 2022. Also, that diarrhoea isn't commonly associated with reflux disorders.

Miss J has sent us several articles that explain it's common for new puppies to experience diarrhoea and vomiting due to stress or new foods. This further supports the comments provided by the vet. So, I can understand why they disagree with the conclusions reached by CGI after considering this claim.

Following my provisional decision, CGI provided greater clarification on their interpretation of the medical notes. CGI said the medical notes explain the puppy experienced sickness and diarrhoea from late September 2021, and it lasted for around 25 days despite medication being prescribed by the vet. They consider this demonstrates the puppy was suffering with digestive issues from that time – and they continued when the puppy was seen again by the vet in February 2022.

I've taken on board what CGI has said, and I can understand why they may have reached the conclusions they have. However, I can't ignore the fact that symptoms that might be associated with digestive issues, can also present themselves for the mere fact that a puppy is very young. And at the time Miss J's puppy visited the vet during the waiting period, it's possible the symptoms were caused by his age and being in a new environment.

I do think this complaint is finely balanced. However, I consider the medical notes suggest the puppy was relatively healthy for a period of around four months, before going back to the vet with what turned out to potentially be a hernia. Furthermore, while CGI have placed a lot of weight on the instances the puppy vomited, the vet has explained that isn't a common symptom for the condition Miss J is claiming for. Therefore, on balance, I'm not persuaded the symptoms that presented themselves during the waiting period are associated with the condition Miss J is claiming for.

I appreciate the policy doesn't require a condition to be diagnosed in order to meet CGI's definition of "pre-existing". However, I've just not seen enough to safely conclude the February 2022 claim resulted from a pre-existing condition. And in the absence of that evidence, I'm not persuaded it was fair for CGI to decline Miss J's claim on that basis – nor was it fair to apply the exclusion for any claims that arise from the digestive system and any resulting condition.

Given the above, I'm minded to uphold Miss J's complaint.

My final decision

My final decision is that I'm upholding Miss J's complaint.

To put things right, Casualty & General Insurance Company (Europe) Ltd should:

- Consider and resolve Miss J's claim in line with the other policy terms and conditions.
- If Miss J's claim is covered, as she's already paid the vet, CGI will need to pay her interest, at 8% simple a year, on any amount they need to reimburse Miss J.
- Remove the exclusion for digestive issues if Miss J still has a policy with them.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 23 May 2023.

Sarrah Turay
Ombudsman