

The complaint

Mr B complains that West Bay Insurance Plc deducted more than one excess when he claimed under his pet insurance policy. He also complains about its handling of his claims.

My references to West Bay include the agent it uses to handle claims on its behalf.

What happened

In July 2022 Mr B's dog became ill very suddenly. His usual vet prescribed some medication but before a full examination could be made the dog's condition deteriorated. An out of hours vet found masses which had spread. After discussion the difficult decision was taken to put the dog to sleep.

Mr B submitted claims for the treatment fees charged by his usual vet and the out of hours vet. West Bay paid the claims, subject to the policy limits and some other deductions including two fixed excesses of £100. West Bay also deducted the remaining year's premium from the claim payment, leaving Mr B a balance to pay his vets.

Mr B complained. He said West Bay had told him that it should have deducted the remaining premium. He also thought it was unfair that West Bay had charged two excesses of £100, when his usual vet and the out of hours vet were part of the same veterinary group.

West Bay accepted it had given Mr B conflicting information about the premium but said the deductions had been made correctly. It apologised and paid him £100 compensation for the inconvenience. As Mr B's dog had been treated by more than one veterinary practice it said it had correctly applied two excesses of £100 each.

Mr B asked us to look into his complaint. Our Investigator partly upheld the complaint and thought the fair outcome was for West Bay to deduct only one £100 excess from the claim. Mr B was willing to accept this but West Bay didn't agree. It referred to a different case where it said we had said it could charge two excesses. It asked for an Ombudsman review as it can do under our rules. So the complaint came to me for a decision.

I reviewed the complaint and contacted West Bay to explain that I also thought it was fair for it to refund the second £100 excess. West Bay still did not agree to refund the excess and I will address the arguments in the next section of this 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.

I am sorry to hear of the loss of Mr B's dog.

I think the fair outcome is for West Bay to refund the second fixed excess of £100 to Mr B. I will explain why.

The policy says that:

“The fixed excess is payable by you on a per incident, per period of insurance basis. If your pet is seen and/or treated by another veterinary practice (or specialist) for the same condition in the same period of insurance, another fixed excess becomes due for any further costs incurred from that second treating vet.”

The fixed excess for Mr B's policy is £100. The policy defines an “incident” as “Any clinical sign of injury or illness in your pet”.

Mr B's dog suffered clinical signs of illness, and his claim for the dog's treatment was for one incident during one period of insurance as defined in the policy. But West Bay argues that his dog was treated by another veterinary practice for the same condition in the same period of insurance so it can charge another fixed excess.

I have noted the strict policy terms and it's arguable that the out of hours practice was “another veterinary practice” even though it was part of the same group. But under our rules I can step outside the policy terms and conditions where I consider it fair and reasonable to do so.

I don't think it's fair to apply the policy terms strictly in the circumstances of this case. Mr B's dog was very unwell and he was following his vet's guidance by taking his dog to the out of hours vet the same evening as the visit to his usual vet. Had the timing been different the dog could have been treated by his usual vet and I think it's unfair for West Bay to charge two excesses in these circumstances, for what was essentially one incident under the policy.

Also, I note that the OOH vet did not charge Mr B for the blood tests, that would otherwise have been charged had the vets not been in the same group.

“Bloods were done at [the first vet], o unsure of results. Pods not synced cant see. ...Adv IVFT, repeat bloods (as cant see bloods from earlier, no charge), ultrasounds then call o.”
“Bloods show neutrophilia, otherwise ok.”

The first vet had charged Mr B £123.32 for blood tests. The amount the second vet charged Mr B was lower than it would otherwise have been specifically because the two vets were part of the same veterinary group. The second vet did not charge Mr B only because the internal systems had not synced. If he had taken the dog to a different vet, I think West Bay would have had to pay more than it would otherwise have done – and at least £100.

West Bay doesn't agree there's any evidence that another vet would have charged at least £100 for the blood tests and, in any event, says that this is irrelevant given its policy terms allow it to charge a second excess where the treatment was at another veterinary practice. I've noted its comments. I think it's more likely than not that West Bay's payment under the claim was lower because the out of hours vet didn't charge him for repeat blood tests where those tests had been carried out within the group. In any event, I remain of the view it was not fair to charge two excesses in the individual circumstances of this complaint.

I have noted West Bay's comments about a different case, where an Investigator had expressed an opinion. But under our rules, we decide each case on its own merits, based on what is fair and reasonable in all the circumstances. And here I think it is unfair for West Bay to charge two excesses of £100 for Mr B's claim for a single incident.

I think a fair outcome is for West Bay to refund the second excess of £100. This affects the co-payment as Mr B would have paid an additional £10 co-payment had the second excess not been charged. As such, I have not required West Bay to pay 8% simple interest on the refund.

Except for the second excess, I think West Bay fairly settled the claims. To explain in more detail:

Mr B's claims were for the vets' costs he incurred because his dog had a sudden illness. Sadly, his dog had to be put to sleep when the extent of that illness became clear. His claims included the treatment costs for his dog as well as euthanasia costs.

The first vet's bill (Mr B's usual vet) was £281.51. West Bay paid this claim less the £100 excess and £18.15 co-payment. The co-payment is the additional contribution towards the claim when a dog is over a certain age. For Mr B's policy he had to pay a co-payment of 10% after the excess had been deducted because his dog was 5 years or older.

- So £281.51 less £100 is £181.51 less 10% (£18.15) leaving £163.36 – the amount paid to the first vet.

The out of hours vet charged Mr B £665.02. From this amount West Bay deducted:

- £100 for the second fixed excess
- £52.21 because the fee for the out of hours consultation was £152.21 and a maximum of £100 is payable under the policy
- £8 because the euthanasia fee was £108 and a maximum of £100 is payable under the policy
- £189 for the cremation fee which is not payable where, as here the pet was 7 years or over

This left a balance of £315.81, and so the 10% co-payment was £31.58 – leaving £284.23. West Bay then deducted the policy premium of £207.70 leaving the amount paid to the second vet of £76.53.

West Bay accepted it made an error when it suggested the remaining year's premium would be waived. This was incorrect information. Under the policy West Bay was entitled to deduct from the claim any premium that was due for the remaining policy year. It apologised to Mr B for its error and paid him £100 compensation. I think this was fair.

Putting things right

I require West Bay Insurance Plc to refund to Mr B the second excess of £100.

My final decision

I uphold this complaint in part. I require West Bay Insurance Plc to pay the amount set out in the putting things right section above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 14 July 2023.

Amanda Maycock
Ombudsman