

The complaint

Mrs C complains that QIC Europe Ltd rejected her claim under her pet insurance policy.

My references to QIC include its claim and complaint handling agents.

What happened

In December 2022 Mrs C says she noticed that her dog had a lump the size of a quail's egg. She took her to the vet. Mrs C's vet diagnosed a hernia and operated on the dog to correct the hernia. She made a claim to QIC for the vet treatment costs.

QIC rejected Mrs C's claim because her vet had indicated that Mrs C's dog had had the lump since her dog had been spayed in August 2018. This was before Mrs C had taken out the policy in July 2021. As such, QIC said the hernia was a pre-existing condition, which was excluded from cover under the policy.

Mrs C did not agree with QIC. She said that in December 2022 she had told the vet only that her dog's spay scar was not as smooth as the dog's sister's scar, and she had not noticed any lumps before that. She provided a letter from her vet practice's head vet supporting this. The head vet said that the clinical records between August 2018 and September 2022 did not show any palpable abnormality in the area during clinical examinations. The first documented concern was in December 2022. The vet said she could not definitively say the ventral abdominal wall hernia was linked to the spay.

QIC did not change its position. It said the first signs of an illness or injury which were apparent prior to the inception of the policy were not covered.

Mrs C asked us to look into her complaint. Our Investigator upheld it and recommended that QIC should pay her claim, with 8% simple interest. Mrs C's vet had said the hernia could not be linked to the spay and that no lumps had been mentioned in the clinical notes following examinations.

Mrs C accepted our Investigator's findings but QIC did not. In summary, it said:

- It has not linked the hernia to the spay surgery, and this had no bearing on its claim decision.
- The vet's December 2022 contemporaneous note says Mrs C had told them that the dog had a lump since the pet had been spayed, and the lump had got bigger and become more swollen. The spay surgery pre-dates the policy inception and so it was fair to decline the claim.
- The head vet's letter of March 2023 is not contemporaneous. The letter does not explain why the earlier notes are not accurate or provide a plausible explanation for why the notes are wrong.

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.

Industry rules require insurers to deal with claims promptly and fairly, and not unreasonably reject a claim. I've taken this into account when considering how QIC has applied the policy terms in this case.

Mrs C's policy does not provide cover for pre-existing conditions. This is very common in pet insurance; insurers generally don't want to cover something that's already happened, since the aim of insurance is generally to protect against the risk of something happening in the future. The policy terms exclude cover for treatment costs relating to:

"Signs of Incidents which were apparent prior to the inception of the Policy..."

An "Incident" is defined as "A specifically identifiable Accident, Injury or Illness". An "Illness" means "Physical disease, sickness, infection or failure which is not caused by Injury".

So the key issue is whether the treatment costs Mrs C claimed for related to something that had already started before she took out her policy.

QIC says the symptoms were already noted before the policy started. It has referred to the clinical notes for 28 December 2022 which say:

"Spayed at 4mo [months old] had a lump since then. Has become bigger and more swollen. No changes in herself, eating well."

QIC says that Mrs C's vet did not provide a plausible explanation for the above note. But the head vet's letter supports what Mrs C herself told QIC when she called to dispute its claim decision; that is, that her dog's spay scar was not as smooth as her sister's scar.

I think Mrs C's explanation is supported by the head vet's letter saying that no palpable lump had been detected during any examination between August 2018 when the dog was spayed and September 2022; and that the first documented concern was December 2022 when Mrs C asked the vet to check the lump.

I've read the clinical history and the notes after the spay shows that Mrs C had reported all was well and the vet noted that the "wound looks great". The clinical history notes that the vet had palpated the dog's abdomen during appointments in May 2019, August 2020 and August 2021 and nothing abnormal was detected then or during the August 2022 annual health check.

I don't consider it's likely, on balance, that Mrs C herself had detected a lump which was not palpable to her vet during a number of examinations since the spay or that Mrs C would not have mentioned this to her vet during her dog's health checks. I think her explanation that the spay scar was not smooth is plausible, and had been mentioned with specific reference to a lump discovered in the area of the spay scar.

I accept QIC did not suggest the ventral abdominal hernia was linked to the spay surgery. But I think the point our Investigator was making was that the head vet of Mrs C's vet surgery said that she could not definitively say the hernia was linked to the dog's spay (where the dog's spay took place before the policy's inception).

I don't consider that QIC has shown that the hernia was a pre-existing condition under the policy. As such, it is fair that QIC now pays Mrs C's claim, subject to any applicable excess plus simple interest at 8% per year as set out below.

Putting things right

QIC Europe Ltd must pay the claim, subject to any applicable excess together with simple interest at the rate of 8% per year from the date of claim until the date of settlement.

My final decision

For the reasons I've explained I uphold this complaint. I require QIC Europe Ltd to take the steps set out in the "*Putting things right*" section above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 16 August 2023.

Amanda Maycock
Ombudsman