

## **The complaint**

Mrs L complains that Casualty & General Insurance Company (Europe) Ltd ("C&G") rejected a claim on her pet insurance policy.

## **What happened**

Mrs L took out an 'Elite' pet insurance policy for her pet dog in August 2019.

In October 2021 when her pet was experiencing vomiting and diarrhoea she took it to the vet for treatment and then made a claim for treatment costs but C&G said the treatment costs were not covered.

C&G said Mrs L's pet had been suffering the with same problems before the policy started so this was a pre-existing condition and the policy excluded claims for pre-existing conditions. It also said if Mrs L had disclosed the previous conditions it would have added an exclusion for the digestive system so it would now add that exclusion from the start of the policy, and a claim for gastroenteritis would be caught by this.

Mrs L complained but C&G maintained its position so she referred the complaint to this service.

Our investigator's initial view was that the claim wasn't covered by the policy but after considering further information from Mrs L and from the treating vet she concluded that it wasn't fair to reject the claim. She asked C&G to remove the exclusion it had added for the digestive system and said it should not treat the condition as pre-existing and should pay the claim.

C&G has accepted that it wasn't fair to add the exclusion for the digestive system and agreed to remove this, but says this was a pre-existing condition and so does not agree the claim should be paid.

## **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.

The relevant industry rules and guidance say insurers must deal with claims promptly and fairly; provide reasonable guidance to help a policyholder make a claim and appropriate information on its progress; and not unreasonably reject a claim. They should settle claims promptly once settlement terms are agreed.

C&G agreed to remove the exclusion it added relating to the digestive system and I understand the policy is no longer in force in any event. So there's no further action needed in relation to this issue and I don't need to make any further comment on that. I need to decide whether it's fair for C&G to decline Mrs L's claim on the basis that what she claimed for is a pre-existing condition.

The policy provides cover for vets' fees but there's an exclusion for *"any claim for any illness that relates to a pre-existing condition"*, which 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."*

The definition is quite wide and on the face of it, if there's any connection between the condition being claimed for and something that was present or showing signs or symptoms before the policy started, it's not covered. But when relying on an exclusion to decline a claim, the onus is on C&G to show the exclusion applies.

The clinical notes show Mrs L's pet was seen by vets five times before the policy started for issues relating to vomiting and diarrhoea. And her pet had more problems after the policy started. I appreciate the symptoms were similar. But the key point to consider is whether these were signs or symptoms of a related issue. If the issues were not connected or if, at the point when she took out the policy, Mrs L wasn't aware her pet had an existing issue that was likely to need further treatment, it wouldn't be fair to exclude a claim at a later date.

Mrs L's vet has advised that:

- The pet had been treated five times before the policy started.
- Her pet needed further treatment after the policy started but this time the clinical signs were different – a much quieter, sicker dog – and he was anorexic, making them suspect pancreatitis.
- In her professional opinion she does not believe the later episode is related to the previous incidences of gastritis/gastroenteritis.
- Dogs can have vomiting and diarrhoea for a wide variety of reasons and neither pancreatitis nor inflammatory bowel disease was a pre-existing condition when the policy started.

Mrs L and her vet have pointed out there was a claim in 2020 and, although C&G initially rejected that claim it later accepted it after the vet explained the position.

C&G has referred to a later diagnosis of an inflammatory bowel disease and says this was likely present throughout. I appreciate C&G's view that the symptoms were similar throughout. But the treating vet has said very clearly the issues are not related. In the absence of any veterinary advice contradicting that advice, I think it's more likely the condition being claimed for is not related to the issues seen before the policy started. In these circumstances it wouldn't be fair to treat this as a pre-existing condition, in which case the claim should be covered.

### **My final decision**

I uphold the complaint and direct Casualty & General Insurance Company (Europe) Ltd:

- not to apply the exclusion for pre-existing conditions; and
- to pay the claim, subject to the excess and remaining policy terms.

If Mrs L has paid the vet's fees, Casualty & General Insurance Company (Europe) Ltd should also pay 8% simple interest from the date she paid the fees to the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 8 September 2023.

Peter Whiteley  
**Ombudsman**