

The complaint

Mr P complains that Casualty & General Insurance Company Europe Ltd (Casualty) declined his claim as a result of delays it caused, under his pet insurance policy.

What happened

Mr P says Casualty initially declined treatment for his dog's foreleg lameness because a vet noted it had a sore neck in July 2020, before the inception of his policy. Mr P says the sore neck wasn't related to the lameness issue. But Casualty declined his claim anyway and this delayed the clinical investigations and treatment his dog needed.

Mr P complained to our service about Casualty's decision to decline cover based on the pre-existing condition. We upheld his complaint in June 2022, which is separate to this complaint. Our service didn't think Casualty had shown the sore neck was linked to the foreleg lameness issue. We said it should pay the claim, subject to any policy limits.

Casualty says on renewal of Mr P's policy it added an exclusion that says:

"Excludes cover on all claims with respect to anything to do with the Fore Limb Lameness that occurred on the 22.05.2021 and Associated Conditions with Effect from 22.05.2022."

It says this means no cover is in place post 22 May 2022 and so it won't now cover any costs relating to the lameness issue.

Mr P didn't think this was fair. He says it took Casualty over nine months to confirm its initial decline decision for his dog's existing sore neck condition. He says this delayed a specialist examining his dog and ultimately the surgery that was needed to resolve the issue. He says this should've been concluded much sooner. Mr P says Casualty's incorrect decline decision, and the delay this caused, is why the treatment wasn't received within 365 days of the problem first presenting. Because he disagreed with Casualty's decision, he referred his complaint to our service.

Our investigator upheld Mr P's complaint. She says had the initial claim been accepted earlier the required treatment would most likely have commenced earlier, and within the 365-day limit specified by the policy. Our investigator says Casualty should settle the claim in line with the remaining policy terms and pay £75 compensation for the distress and inconvenience caused.

Casualty didn't agree. It says Mr P agreed to the exclusion when his policy renewed in 2022. It says it agrees with the £75 compensation but doesn't think it should pay the claim. As our investigator didn't change her view, Casualty asked for an ombudsman to consider Mr P's complaint.

It has been passed to me to decide.

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 done so I'm upholding Mr P's complaint, let me explain.

Mr P made a claim to Casualty after his dog showed signs of lameness in his right foreleg. I can see from the clinical notes that this occurred in May 2021. Casualty's decision to decline this claim was subject to a previous decision made by another ombudsman. Our ombudsman concluded it was unfair for Casualty to decline the claim, which it should now pay. This decision was issued in June 2022.

I won't be going over the points already considered by our service in Mr P's original complaint. My focus is on the events after this.

I've read Mr P's policy terms to understand what cover he has in place. The terms say:

"Our Essential Products are often referred to as "Time Limited" policies. This means that You can claim per Condition up to the Benefit Limit as shown on Your Schedule for a maximum period of 12 months from the date the first Symptom and/or Clinical Sign was noticed, or Treatment started, whichever happens first. Once the 12 months has passed, or the Benefit Limit has been reached no further cover will be provided for that Condition, even for future renewals. There is no limit as to the number of Conditions You can claim for, however as stated cover for a Condition will cease once the 12 months has passed, or the Benefit Limit has been reached, whichever happens first."

I think the terms are clear that cover is limited to a 12-month period, which starts when the condition or symptoms are first identified. Mr P's dog was assessed by a vet in May 2021. This is when the right foreleg issue was identified. In this case the terms say cover is provided, subject to the policy limits, for any claims relating to this issue up to May 2022.

From the clinical records I can see that Mr P's dog underwent investigations and surgery after this 12-month period had elapsed. So, on the face of it there was no cover in place at this time.

That said Casualty delayed Mr P's claim by declining it unfairly. As confirmed in our service's earlier decision. I can see Mr P's dog underwent surgery in June 2022. Shortly after the 12-month period had elapsed. Based on what I've read it's probable that the care Mr P's dog required will have been completed within 12 months of the issue being identified. So, I don't think it's fair for Casualty to rely on its policy term to decline cover in these circumstances. It should now pay the claim in line with the remaining policy terms and conditions.

I've thought about the impact this has had on Mr P. I can see that he has received compensation for distress and inconvenience relating his earlier complaint. I think a further payment is appropriate to acknowledge the additional distress and inconvenience Casualty caused him. I agree with our investigator that £75 is fair.

My final decision

My final decision is that I uphold this complaint. Casualty & General Insurance Company Europe Ltd should:

- settle Mr P's claim in line with the remaining policy terms and conditions; and
- pay Mr P £75 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or

reject my decision before 20 August 2023.

Mike Waldron
Ombudsman