

The complaint

Miss D complains that Casualty & General Insurance Company (Europe) Ltd misled her about the cover available under her pet insurance policy and unfairly turned down her claim.

My references to Casualty include the agent it uses to handle claims and complaints on its behalf.

What happened

On 6 December 2022 Miss D adopted a dog. The following day she took out a pet insurance policy with an insurer I'll call M. But 9 December 2022 she decided to take a policy with Casualty at a lower premium and cancelled the direct debit with M.

On 13 December Miss D messaged and then spoke with Casualty to check how the policy's waiting period worked. Casualty told her that claims for treatment would not be paid within the policy's 10 day waiting period, but anything found would not be discounted from future claims.

On 15 December 2022 Miss D took her dog to the vet for his health check and mentioned that he had been scratching his ears. The vet noted a condition called erythema (a skin disorder) and noted one of the dog's ears was badly infected. The vet prescribed medication and arranged some blood tests.

In January 2023 Miss D took her dog to the vet again to check his ears and for the blood test results. The vet noted erythema in the paws and Miss D arranged for allergy testing. She made a claim to Casualty for the treatment costs to date, which included the December 2022 treatment.

Casualty rejected Miss D's claim because the claim occurred within the 10 day waiting period. It referred to the declaration Miss D had signed before taking out the policy which said *"You can't claim for accidents that happen in the first 24 hours and illnesses that show symptoms in the first 10 days after your start date."*

Miss D said this was unfair, given her conversation with Casualty on 13 December 2022. If she had known the correct position, she would not have taken her dog to the vet within the 10 day waiting period. She also would not have cancelled her policy with M, which she said based on previous experience would have paid the claim for the January 2023 treatment.

Casualty accepted that its call handler had given Miss D misleading information. But it said this should not have influenced Miss D's decision to seek veterinary care, as her dog was *"clearly symptomatic"*. And its policy excluded any illnesses where symptoms had presented within the policy waiting period. Any illness would not be treated as pre-existing but would be excluded from cover.

Unhappy with the outcome Miss D came to us. Our Investigator recommended that Casualty pay Miss D £100 compensation for giving her misleading information about the policy cover. But our Investigator thought Casualty had reasonably declined the claim because Miss D

(and the vet) had noted the skin issue and infection during the waiting period. Our Investigator did not consider that the dog's condition would have been covered under the policy Miss D had initially taken out with M.

Miss D accepted she had told the vet that her dog had been scratching his ears but there was no previous history of this as she'd just adopted him. She'd cancelled her policy with M following her direct messages with Casualty, and the phone call was to clarify she had made the right decision to go with Casualty. In her view, M would not have excluded conditions found within the waiting period – just the treatment fees during the first 14 days. Casualty has excluded conditions found in the waiting period, even though it says it has not done so.

Miss D also said that £100 compensation would not be anywhere near the amount she would pay for her dog's lifelong treatment for allergies. She had responsibly taken insurance and clarified the wording via a phone call when the direct messaging service had not given her enough information. She asked for an Ombudsman review of her complaint.

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 think the fair and reasonable outcome to this complaint is for Casualty to pay Miss D £100 compensation as it has agreed to do. But I don't require it to do anything more. I'll explain why, focusing on the issues I consider are central to this dispute.

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 Casualty has applied the policy terms in this case.

Miss D's policy does not provide cover for claims that occur within the first 10 days. This is very common in pet insurance, and we do not consider it is unreasonable.

Under "*Not covered*" the policy says that Casualty will not cover any accidents during the 24 hour waiting period or "*Any other claims that occur within the first 10 days of your policy start date with [Casualty] which is the waiting period for all other claims*". The General Policy Exclusions say that Casualty will not pay "*Any pre-existing conditions or any claim costs relating to the applicable waiting period as listed in the Schedule.*"

I think Casualty was fairly entitled to turn down Miss D's claim for December 2022 and January 2023 vet's fees. The December 2022 treatment costs were incurred during the 10 day waiting period. And I think the vet's notes of the appointments support that the January 2023 treatment and tests related to the applicable waiting period.

Miss D has said that if Casualty had not misled her then she could have waited a few more days before taking her dog to the vet. But even if she had done so, I think Casualty could fairly have declined the claim. The evidence is that she had noticed her dog scratching his ears within the 10 day waiting period and the vet noted that the dog's "*right ear VERY red and hot, very smelly, very crusty from scratching with leg*".

I have considered Miss D's comments that she did not cancel her policy with M until after she had received the reassurance she was seeking from Casualty. She has had some prior experience with pet insurance and says that M would have covered her claim. In support of that she has sent us a copy of her policy with M.

I have considered whether it is likely, on the balance of probabilities, that Miss D would have been able to make a successful claim under M's policy.

The relevant part of M's policy says that *"We are not able to pay a claim for any vet's fees incurred due to illness within the first 14 days of the policy"*. The evidence is that Miss D's claim for the January 2023 vet's fees were incurred due to illness within the first 14 days of the policy. Illness means any *"injuries, disease, sickness or infection suffered by your pet and diagnosed by a vet."* Miss D's dog was noted as having an infection within the first 14 days of the policy with M, so I don't think it's likely her claim would have been paid.

Casualty caused Miss D some distress and inconvenience in giving her incorrect information about her policy cover. I think £100 compensation is fair for this. I appreciate this will not cover the dog's medication. But the compensation is to reflect the inconvenience for the incorrect information rather than the cost of the claim or future claims.

Miss D has said that she is now trapped into the policy with Casualty, as her dog would be treated as having a pre-existing condition by other insurers. And she says Casualty is treating her dog as having a pre-existing condition.

I think it is unfortunately the case that Miss D's dog having an illness within the waiting period for the Casualty policy means her claim for that illness will not be paid. I don't think it's likely it would have been paid with any pet insurer.

But Casualty is not treating the illness as a pre-existing condition. Rather, it will not pay claims relating to an illness within the waiting period. I cannot decide whether any future claims that Miss D might submit would be rejected under the policy – I can only decide whether Casualty made a fair decision on the claim Miss D has submitted. I think it did make a fair decision so I cannot fairly require it to pay the claim.

Putting things right

I require Casualty & General Insurance Company (Europe) Ltd to pay Miss D £100 compensation for distress and inconvenience.

My final decision

My final decision is that I partly uphold this complaint. I require Casualty & General Insurance Company (Europe) Ltd to take the step set out in the *"Putting things right"* section above.

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

Amanda Maycock
Ombudsman