

## The complaint

Miss M has complained that Casualty & General Insurance Company (Europe) Ltd (C&G) made unfair deductions when settling a claim on her pet insurance policy.

## What happened

Miss M was walking her dog when one of his paws became injured. She took him to the vet and he underwent surgery. He was given pain relief medication and antibiotics. His wound was dressed and bandaged. He required a buster collar to stop him from removing the bandage. There were further visits to the vet for cleaning and redressing of the wound for which the dog needed to be sedated.

The total cost of the first claim was £2,412.74. Miss M said the only way she could pay for the treatment was by using her partner's credit card. She made a claim to C&G. After making various deductions it paid her £1,763.94.

The deductions were as follows:

Buster Collar	£13.20
Grooming	£19.13
Admission/discharge Fees	£137.40
Fluid therapy	£49.50
Bandage applications	£220.17
Medications with over 100% mark up	£91.05
Theatre Consumables and post-operative care pack	£14.31
Waste Disposal	£14.04
Excess	£90.00

Miss M agreed that the cost of the buster collar, grooming and policy excess should be deducted. She didn't agree with the other deductions.

With regard to the second claim for ongoing care, the total amount of the claim was £428.37. C&G paid £114.79 saying it had deducted various things claimed twice. Miss M agreed that the vet had inadvertently claimed £188.78 for something that was part of the first claim. But she thought she was entitled to a further £124.80 in respect of this claim.

Miss M brought a complaint to this service. Our Investigator upheld it. She didn't think C&G hadn't acted fairly in deducting fees relating to the admission fees, fluid therapy, bandage applications, medications over a 100% mark-up, theatre consumables and waste disposal. She didn't think the deduction of £124.80 from the second claim was reasonable. She also thought C&G should pay 8% interest on the amount due to Miss M and £200 compensation for the trouble and upset it had caused her.

C&G agreed with the Investigator's view regarding the admission fees, fluid therapy and bandage application fees but not the remaining ones. It also agreed that it should have deducted £188.78 from the settlement of the second claim for the duplicate invoice rather than £313.58.

I issued a provisional decision explaining why I was minded to uphold the decision in part. An extract from my provisional findings is set out below:

*“As the parties are in agreement regarding most of the deductions, I’ll only look at those which are still in dispute.*

*Medication with over 100% mark-up*

*The policy says in Section 11 General Exclusions:*

*“Vet Fees will only be paid if they are: - Reasonable and Essential for Your pet’s health and well-being. We may limit any payment to a maximum mark-up of 100% for veterinary treatment, medication and dispensing fees....”*

*So under the terms of the policy, I think C&G was entitled to cap the amount it would pay for medication and remove any surplus as a deduction.*

*C&G deducted a total of £91.05 for medicines in this category. It said this broke down into £73.36 for Synulox (an antibiotic), £13.06 Isaderm (an antibacterial cream) and £4.63 Hibiscrub (a skin cleanser to manage infection). After our Investigator issued her view, C&G provided evidence to show the standard price for the Synulox and Isaderm and that it had capped the amount paid to 100% of this amount. So I don’t think C&G acted unfairly in making these deductions.*

*It said the £4.63 for the Hibiscrub was deducted in full as it fell under the grooming exclusion on the policy. I understand that this is an antibacterial wash for infected areas. As the wound needed to be redressed and bandaged on several occasions, I think it was appropriate for the vet to use something like this and it wasn’t reasonable for C&G to class it as grooming.*

*Theatre Consumables and post-operative care pack*

*The policy says:*

*“What is not insured?*

*Any miscellaneous costs that do not directly relate to the Treatment of an Illness or Accidental Injury, including but not limited to single use items, non-medical items, cleaning supplies and such other costs that a Vet may charge but are not directly related to the actual Treatment of Your pet”.*

*C&G said it wouldn’t cover single use items such as the needle, thread, gauze swabs and a scalpel blade. I don’t think it was reasonable for C&G to say that these were “not directly related to the actual Treatment of Your pet” as they would have been an essential part of the surgical procedure. So I think C&G should reimburse the cost of these items.*

*Waste Disposal*

*I consider it was reasonable for C&G to exclude this as being “not directly related to the actual Treatment of Your pet”.*

*Given these conclusions, I am minded to say that C&G should reimburse a total of £550.81 broken down as follows:*

<i>Admission/discharge Fees</i>	<i>£137.40</i>
<i>Fluid therapy</i>	<i>£49.50</i>

<i>Bandage applications</i>	<i>£220.17</i>
<i>Hibiscrub</i>	<i>£4.63</i>
<i>Theatre Consumables and post-operative care pack</i>	<i>£14.31</i>
<i>Duplicate deduction from 2<sup>nd</sup> claim</i>	<i>£124.80</i>

*As Miss M has paid the vet's fees, I also think interest should be added to the amount reimbursed at a rate of 8% simple on the amount reimbursed from the date Miss M paid the vet's bills to the date of settlement.*

*Our Investigator considered that compensation of £200 would be appropriate in this case for the trouble and upset Miss M suffered as a result of having a large part of the claim unfairly declined after she had paid all the vet's bills on her partner's credit card which would have caused her unnecessary stress. I think that amount would be fair and reasonable in the circumstances."*

*"*

Both parties accepted my provisional findings.

### **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.

As both parties accepted my provisional findings, I see no reason to change them and they now form part of this provisional decision.

### **My final decision**

For the reasons set out above, I uphold this complaint and require Casualty & General Insurance Company (Europe) Ltd to pay a further £550.81 to Miss M and to pay interest on that amount at the simple rate of 8% from the date she paid the vet's bills until the date of payment. I also require Casualty & General Insurance Company (Europe) Ltd to pay Miss M £200 compensation for the trouble and upset it caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 11 October 2023.

Elizabeth Grant  
**Ombudsman**