

The complaint

Miss G complains that Covea Insurance Plc (Covea) declined to cover the full cost of medication because her dog had died before completing the full course, under her pet insurance policy.

References to Covea in my decision includes its agents.

What happened

Sadly, Miss G's pet dog was put to sleep in October 2022. Part of the subsequent claim that was submitted to Covea included medication that had been prescribed but hadn't been used. Miss G says it's unfair that Covea has decided not to pay for these items.

Miss G says it took many months for Covea to deal with her claim. It also sent her several emails regarding her now deceased pet dog, which she found upsetting.

In its final complaint response dated 16 October 2023 Covea says it asked Miss G's vet for information in November 2022, which included asking it some questions. It says it didn't respond until 22 December and didn't answer its questions. There was a delay in it considering the claim. But it says that immunotherapy drugs are classed as unlicensed medication. It says there is no cover for unlicensed medication under Miss G's policy. In addition, Covea says these drugs weren't used. It says its policy terms exclude cover in these circumstances.

In its complaint response Covea apologised for the time taken to conclude Miss G's claim, and for the service she received.

Miss G didn't think she'd been treated fairly and referred the matter to our service. In its submissions to our service Covea offered Miss G £150 compensation for the delays in its handling of the claim. Our investigator reviewed the evidence and decided to uphold her complaint. She says Covea had been covering the cost of the immunotherapy treatment prior to the death of Miss G's dog. She didn't think it was now fair for it to decide to rely on a policy exclusion not to.

Our investigator says some of the immunotherapy medication had been used. But Miss G's dog's health deteriorated very quickly. This meant it was unexpected when her dog had to be euthanised. She didn't think it was fair for Covea to rely on its policy terms to decline cover for the unused medication without considering the wider circumstances of her claim. Our investigator says Covea should pay Miss G £250 for the distress and inconvenience it caused when handling her claim. It should also pay her for the cost of the unused medication.

Covea didn't agree with our investigator's findings and asked for an ombudsman to consider the matter.

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 Miss G's complaint. Let me explain.

Miss G's policy terms say:

"Insured events we will cover

The cost of veterinary fees for the veterinary treatment your pet has received during the policy year to treat an illness or injury up to the maximum benefit."

And:

"The maximum amount we will pay for the cost of treatment or complementary treatment is the maximum benefit that applies on the date the treatment is carried out.. If the claim includes medication, these costs will be subject to the maximum benefit that applies on the date the medication will be used."

Also:

"What we will not pay

The cost of the following procedures; experimental treatments, or therapies; prosthetics or orthopaedic supports or braces, open heart surgeries, cancer vaccinations, therapeutic antibody for dog and cat cancers, stem cell therapy, organ transplants, gene therapies, probiotics, dental vaccines, cold laser treatments, 3D printing, any drugs not used in accordance with the manufacturers recommendations or not licensed by Veterinary Medicines Regulations (VMR)."

This says Covea won't pay for medication that isn't able to benefit the insured animal. The business says the clinical records show the immunotherapy medication wasn't collected. This means it can't have been used prior to Miss G's dog's death.

I've read the clinical records. On 29 September 2022 a note says, *"immunotherapy ordered"*. The next note on 5 October says, *"Due a presc check can pick up meds at app - recep to call plz"*. The next record on 19 October says, *"Been off meds for a week as not collected"*. Later that day Miss G's dog was euthanised. Based on this it appears the medication wasn't collected from the vets.

However, Miss G says she did collect the immunotherapy medication and gave one injection to her dog before she died. She says she was on holiday and so was late collecting the medication. Miss G provided an email from her vet. The vet says Miss G confirmed she'd opened the immunotherapy vial in order to inject her dog with the medication. This meant some of the medication had been used. The vet's email says this is a unique medication that was ordered a number of weeks in advance. It says the insurance claim was made in good faith on the expectation Miss G's dog would be using the medication.

I've thought about whether Covea's decision not to cover the medication that went unused was fair. I don't think it was. I'm satisfied it had been collected from the vet prior to Miss G's dog's death. Albeit only one month's dose of a 12-month supply had been used. Miss G expected Covea to cover the cost of this under her policy.

I acknowledge that applying a strict interpretation of Covea's policy terms would allow it to decline to pay for medication that can't be used. But I don't think this approach is fair in these circumstances.

Mrs G's dog wasn't terminally ill at the time the medication was ordered or collected. Her dog's health rapidly and unexpectedly declined shortly afterwards. A decision was then made to euthanise. Miss G was left with some medication that couldn't be returned to the vet. As Covea declined to cover this cost Miss G has been left to pay her vet for the medication.

I acknowledge Covea's reference to a decision made by another ombudsman at this service, involving a similar complaint. It says this complaint wasn't upheld. I've read this decision, but the circumstances of that complaint are different to Miss G's case. The main difference being that the dog in the other case was known to be terminally ill at the time the medication in dispute was provided. I'm not persuaded that this shows Covea acted fairly here.

Having considered all of this I agree with our investigator that Covea didn't treat Miss G fairly. It should now reimburse her with the cost of the medication she paid to her vet, on provision of evidence. Covea should also add 8% simple interest onto this from the date it was paid until the money is reimbursed.

I've thought about the time Covea took to handle Miss G's claim. The claim was submitted in November 2022. I can see it asked Miss G's vet for information and asked some questions. A response to this was provided in December. Covea initially said the vet hadn't answered its questions, which caused a delay. But having read its response, the vet had answered the questions Covea asked.

I can see that Covea acknowledges this point in its subsequent submissions to our service.

Covea took until August 2023 to deal with Miss G's claim. I haven't seen a reasonable explanation why it took this long. I would expect this to have been resolved early in 2023, not nine months after the claim was made.

Covea acknowledges that it sent several emails to Miss G referring to her now deceased dog. It upheld this part of her complaint and later confirmed its offer to pay £150 compensation, after she had referred her complaint to our service.

Understandably, Miss G was very upset by the death of her dog. Covea made the situation worse by failing to handle her claim fairly in a reasonable timeframe and when continuing to send her emails. Because of the additional distress Covea caused Miss G I agree with the business that it should pay her compensation. Our investigator recommended a total payment for £250. I think this is fair.

My final decision

My final decision is that I uphold this complaint. Covea Insurance Plc should:

- reimburse Miss G for the medication costs she paid to her vet, plus 8% simple interest from when this was paid until the money is reimbursed; and
- pay Miss G £250 in total for the distress she was caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 12 April 2024.

Mike Waldron
Ombudsman