

The complaint

Miss R complains that Casualty & General Insurance Company (Europe) Ltd (C&G) has unfairly turned down her claim on her pet insurance policy.

What happened

Around a week after Miss R took out her pet insurance policy with C&G, she took her dog to the vet because he was coughing every now and then and reverse sneezing. Among other things, the vet prescribed a trial of a medication called omeprazole. A couple of days later, Miss R went back to the vet because her dog was “*full of mucus and coughing a lot*”. The vet prescribed a course of antibiotics. A few days later, Miss R reported a “*massive improvement*” in her dog.

Around five months after this, Miss R took her dog to the vet because she was concerned about his breathing. He was diagnosed with brachycephalic obstructive airway syndrome (BOAS) and the vet recommended surgery. I understand Miss R checked with C&G if BOAS was covered by her policy and, when C&G confirmed it was, she went ahead with the surgery.

But when Miss R made a claim for the surgery, C&G turned it down. It said Miss R had no cover under her policy for any conditions where the clinical signs and symptoms were present during the 14-day waiting period after the policy started.

Miss R complained to C&G about this and, when it didn't uphold her complaint, she referred it to us.

In her first view on the complaint, the investigator who looked at it upheld it. Among other things, she said she'd seen no evidence Miss R's dog showed signs of BOAS in his vet visits during the policy waiting period.

But our investigator then asked C&G for its underwriting criteria. This said that, if a pet had (among other conditions) BOAS or cough within the policy waiting period, the respiratory system was excluded. In her second view on Miss R's complaint, our investigator didn't uphold it.

Miss R disagreed. She said her dog had had kennel cough – which she said was a viral infection. Our investigator asked C&G if it had seen a diagnosis of kennel cough and C&G said it hadn't. Against this backdrop, our investigator re-assessed Miss R's complaint and, in her third view, upheld it. She said it wasn't fair and reasonable of C&G to apply a wider exclusion retrospectively because of Miss R's dog's earlier undiagnosed issues.

C&G disagrees, saying it has correctly turned down Miss R's claim, and has asked for an ombudsman to decide 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.

Having done so, I've decided to uphold Miss R's complaint.

Miss R's pet insurance policy has an exclusion for any claim for illness that showed clinical signs or symptoms within the policy's 14-day waiting period. It also has an exclusion for any pre-existing conditions C&G becomes aware of at the time of a claim. The policy says a "pre-existing condition" is any diagnosed or undiagnosed condition and/or associated condition which has happened or shown clinical signs or symptoms of existing in any form within the 14-day waiting period.

The exclusions C&G is relying on to turn down Miss R's claim are wide. On the face of it, if there's anything showing a connection between the condition being claimed for (that is, BOAS) and something that was present or showing signs or symptoms during the policy waiting period, it's not covered. But when relying on an exclusion to turn down a claim, the onus is on C&G to show it applies. So C&G must show it's more likely than not the signs and symptoms Miss R's dog presented with during the waiting period were connected to BOAS. If they weren't, it wouldn't be fair and reasonable of C&G to turn down Miss R's claim.

C&G says its underwriting criteria excludes the respiratory system if a pet shows signs of coughing in the waiting period. And C&G's in-house vet says that, during the waiting period when the vet recommended the trial of omeprazole, there would've been a discussion between the vet and Miss R about the issues faced by brachycephalic dog breeds. C&G's vet says hiatal hernias (which Miss R's vet referred to in clinical notes made during the waiting period) are "*almost exclusive*" to the dog's breed and BOAS-related reflux issues are treated with omeprazole. C&G also says the vet noted Miss R's dog's right nostril was narrower than the left during the waiting period and that it was still narrowed five months later. C&G says this shows Miss R's dog presented with the same signs and symptoms during the waiting period as he had five months later.

Having considered what C&G says and what the clinical records made by the vets who treated Miss R's dog say, I'm not persuaded by C&G's arguments.

In the clinical records made by Miss R's first vet during the waiting period, Miss R's concern was that her dog was coughing now and then and reverse sneezing. The vet notes the dog's symptoms are similar to those of another of Miss R's dogs. The records say the vet also discussed giving the dog smaller meals and prescribed the trial of omeprazole. The records say this was due to the dog's breed and, as I've mentioned, refer to "*hiatal hernia etc*".

In the clinical records from Miss R's second visit to the vets during the waiting period, it's noted Miss R's dog now has a yellow discharge from both of his nostrils and a heavy mucus cough. The records say the omeprazole has made no difference so far and also note the dog's right nostril is "*slightly narrowed*" compared to his left. The vet's assessment is: "*Suspect contagious viral/bacterial if has been passed one from the other. Cannot rule out KC [kennel cough]. Sinusitis/tracheobronchitis?*". As I've already mentioned, Miss R's dog was given a course of antibiotics and, a few days later, his symptoms were fully resolved. In his clinical records, the vet notes there's "*no discharge*" and "*no concerns noticed at all*".

Around five months later, when Miss R took her dog to the vet, her concern was that his right nostril was closed and his breathing was loud. The clinical records say the vet discussed BOAS with Miss R and recommended surgery, which (as I've noted) was subsequently performed successfully.

From these clinical records, it seems to me neither of the vets who reviewed Miss R's dog during the waiting period diagnosed him with a specific condition. In the records from the first

visit during the waiting period, no diagnosis is given at all. C&G says there would've been a discussion between the vet and Miss R about the issues brachycephalic breeds can face (given she recommended a trial of omeprazole and referred to hiatal hernias). But, in saying this, C&G is making an assumption. That's not what the records say and, even if there was a discussion, it's not the same as diagnosing Miss R's dog with BOAS or an associated condition.

By the time of the second visit during the waiting period, the dog's symptoms had developed into a nasal discharge and a heavy mucus cough. All of the possible conditions the vet refers to in the clinical records from this consultation – a viral/bacterial cough, kennel cough, sinusitis and tracheobronchitis – seem to me to point to her thinking the dog has an infection of some sort. So does the vet's prescribed treatment – a course of antibiotics. And, after that course of treatment, the dog's symptoms improved, with the vet reporting no noticeable concerns at all. This suggests the treatment was effective in resolving whatever issues Miss R's dog had.

The only reference the vet makes during this second visit that may suggest a possible link to BOAS is the reference to one of the dog's nostrils being slightly narrower than the other. But I don't think this amounts to a diagnosis of BOAS or an associated condition. And, in saying this, I'm also persuaded by a letter one of the vets who reviewed Miss R's dog during the waiting period wrote to C&G after it had turned down Miss R's claim, in which she says the BOAS surgery and the coughing weren't related.

All of this means that, on the evidence I have, I don't think it's likely the condition Miss R has claimed for (BOAS) is the same as the issues Miss R's dog presented to the vet with during the policy's 14-day waiting period. And that means I don't think C&G has acted fairly and reasonably by applying the policy exclusions relating to illnesses/pre-existing conditions in the waiting period to turn down Miss R's claim.

My final decision

For the reasons I've given, I uphold Miss R's complaint and direct Casualty & General Insurance Company (Europe) Ltd not to apply the exclusions for illness in the waiting period and pre-existing conditions and to pay the claim (subject to the policy excess and the remaining terms and conditions).

If Miss R has paid the vet's fees, Casualty & General Insurance Company (Europe) Ltd must pay her simple interest at the rate of 8% a year 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 Miss R to accept or reject my decision before 3 September 2024.

Jane Gallacher
Ombudsman