

The complaint

Mr and Mr H's complaint is about a claim they made on their Red Sands Insurance Company (Europe) Limited ('Red Sands') pet insurance policy, which was declined.

Mr and Mr H say Red Sands treated them unfairly.

What happened

Mr and Mr H made a claim on their Red Sands pet insurance policy when their pet became unwell and required treatment for intervertebral disc disease (IVDD). Red Sands considered the claim and concluded that the illness was pre-existing and therefore not covered under the policy. In particular they referred to the pet having a history of spinal problems and that IVDD was previously discussed with the pet's vet on two occasions in March 2022, prior to the policy with them being taken out.

Mr and Mr H did not agree and provided Red Sands with a copy of a letter from their pet's neurologist which set out that the spinal issues the pet was previously seen for were not related to the IVDD, but Red Sands remained of the view that the claim should be declined.

Unhappy Mr and Mr H referred their complaint to the Financial Ombudsman Service. Our investigator considered their complaint and concluded it should be upheld. He said that Red Sands should reconsider the claim under the policy terms and pay Mr and Mr H compensation of £150 for wrongly declining their claim. Red Sands did not agree so the matter was passed to me to determine.

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 uphold Mr and Mr H's complaint against Red Sands. I'll explain why.

The starting point is the policy terms. They say:

"Conditions we don't cover

We don't cover pre-existing conditions. We consider a condition to be pre-existing if your pet showed any signs or symptoms of it before your cover start date, whether they needed treatment previously or not."

Under the heading 'Pre existing conditions' the policy also goes on to say:

"If you noticed something was wrong with your pet before you took out the policy. It could be a sign of a pre-existing condition. This is true even if you decided not to take them to the vet. For example, if your dog was shedding fur before the policy started, and was later diagnosed with a thyroid condition, we'd consider this to be a pre-existing condition."

So, the issue for me to determine is whether Mr and Mr H's pet showed any signs or symptoms of the subsequent IVDD it was eventually diagnosed with before the policy was in

place.

Mr and Mr H's pet was treated for spinal pain in March 2022 before the policy started in March 2023. I've looked at the pet's clinical notes and can see that reference is made to the owner being well versed in IVDD, but the notes don't say that was the cause of the spinal pain. In May 2023, over a year later and shortly before the pet is diagnosed with IVDD, reference is made in the clinical notes to the pain the pet is experiencing as likely being IVDD related and that the pet "has had this previously". So, I can see why Red Sands thought the earlier spinal pain the pet experienced before the policy was in place was a clinical sign or symptom of the eventual diagnosis of IVDD. The notes themselves indicate that the pet's vet likely thought this was the case too. Since then, Mr and Mr H have obtained the opinion of the pet's neurologist however who has said:

"Intervertebral disc disease was never diagnosed previous to June 2023 - a definite diagnose can only be made based on advanced Imaging (MRI). In the MRI done In June 2023, we found NO evidence of previous extrusions. If (the pet's) signs were related with a previous extrusion we would be able to see it.

The neurological signs described by the referring vet are also not consistent as it is mentioned that the placement was ok but then the knuckling was reduced.. .placement and knuckling are also the same test-so not sure if the vet knew what he was seeing. Additionally, turning RHS in short circle is NOT a neurological sign but rather an orthopaedic sign.

I suspected that the referring vet based his assumption mostly in the lumbar pain, and in the fact that (the pet) is a dachshund. But neither the lumbar pain or the other signs described in the examination are specific/ pathognomonic for intervertebral disc extrusion. Other differentials are: myositis, myelitis, dyscospondilitis, hip dysplasia. "

The pet's neurologist is an expert in the illness the pet was eventually diagnosed with. She has provided credible reasons why the pet's vet's earlier assumptions that the pet's previous symptoms were related to the IVDD were wrong. And she's explained why they were unrelated. In light of that, I'm persuaded that the symptoms the pet was exhibiting before cover was in place were not clinical signs or symptoms of the illness it was eventually diagnosed with. And I think that when Red Sands were provided with this evidence they too should have accepted this evidence too, particularly because they have not provided anything at all in the way of veterinary evidence of equal standing to properly support their position that the exclusion should still be applied here.

I have set out what I think Red Sands should do to put things right below. It should be noted that I have already put this award to both parties before issuing my decision. Red Sands did have the opportunity to respond to this but did not do so. Mr and Mr H have responded and accepted what I've said.

Putting things right

Red Sands should:

- Pay Mr and Mr H's claim subject to the remaining policy terms.
- Pay interest at 8% on any sums paid to Mr and Mr H from the time of the claim, until it is settled.
- Remove the exclusion applied to Mr and Mr H's policy in respect of the IVDD and associated symptoms. As I understand it Red Sands have applied this exclusion to the policy both before and after it renewed recently. If there is a difference in the policy premium on the recent renewal, this should be adjusted and reflected in the figure paid

out to Mr and Mr H in respect of their claim.

- Pay Mr and Mr H £150 in compensation for the distress and inconvenience caused as a result of wrongly declining their claim based on the submissions they have made on the impact this has had on them.

My final decision

For the reasons set out above, I uphold Mr and Mr H's complaint against Red Sands Insurance Company (Europe) Limited and direct them to put things right as I have set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Mr H to accept or reject my decision before 16 July 2024.

Lale Hussein-Venn
Ombudsman