

The complaint

Mr E complained that U K Insurance Limited (“UKI”) unfairly amalgamated two claims into one, which resulted in his settlement been lower for his treated pet due to a settlement cap in place on the policy.

What happened

Mr E’s pet was vomiting, so he had his pet examined at a local emergency (vet) hospital. As part of the investigations a scan was performed where an adrenal mass was identified.

The adrenal mass was further investigated by Mr E’s regular vet and via referral to a specialist over the following month. After the diagnosis, Mr E decided not to proceed with the necessary treatment (chemotherapy or surgery) and is letting nature run its course. He’s said there hasn’t been any further vomiting.

Mr E submitted two claims to UKI for consideration, one for the initial vomiting (£2,292) and a second one for the further investigations that were carried out (£5,107).

UKI said based upon its own medical experience and independent vets’ papers, it thought the two claims were part of the same condition. So, it said it would pay £4,000 of the total costs, which is the policy limit for any one condition.

Mr E thinks this is unfair, he’s had three different experts inform him that in their opinion the conditions were separate and thought both claims should be honoured separately. He said had UKI told him it was planning on treating both claims as one condition, it’s unlikely he would’ve expended his own money paying for the additional tests.

Our investigator decided not to uphold the complaint. She thought UKI had reasonably assessed the two claims as one condition and applied the policy cap of £4,000 correctly when settling the claim. Mr E disagreed, so the case has been referred to an ombudsman.

My provisional decision

I made a provisional decision on this on 6 June 2024. I said:

UKI referred to the terms and conditions in the policy when explaining its decision to Mr E. The policy essentially sets out that Mr E is covered for up to £4,000 of vet fees in a 12-month period for each separate condition. It explains a condition as “any injury or illness or symptoms of injury or illness, including related conditions or problems, no matter where these are noticed or happen in or on your pet”.

Mr E has shared evidence from vets who examined his pet. UKI don’t think the conclusions from these vets are correct. Based on its own medical knowledge, it treated both claims as one condition, so limiting the level of settlement.

I think it’s important to understand what summaries these vets shared.

Vet 1 (emergency vet) – “It would therefore be my assessment that the adrenal mass was detected as an additional finding and therefore I would view the adrenal mass as a separate condition to any claim for vomiting”.

Vet 2 (regular vet) – “I reviewed [the pet] following treatment [with the emergency vet] for a gastro intestinal upset...[the pet] responded well to intravenous fluids and supportive treatment. An incidental finding on ultrasound was a right adrenal mass. On presentation [a few days later the pet] was bright, responsive and eating. The pet experienced no more vomiting experiences. The gastrointestinal signs and upset had fully resolved by this date. [The adrenal mass] finding was unrelated to the gastrointestinal signs”.

Vet 3 (specialist) – “[the pet] was seen by an out of hours practice due to an acute onset of gastroenteritis and the investigations revealed the presence of an adrenal mass which prompted the referral. The pet had been otherwise well himself”

Mr E thinks these separate reports all support his case that the vomiting and adrenal mass were separate conditions and should be treated as such under the policy. UKI have said the vomiting is just one symptom along with two other symptoms the pet was displaying.

I do appreciate what UKI have said, but I think it's UKI's responsibility to show it's more likely than not the nausea / vomiting was caused by the adrenal mass. I think it has shared its reasons to why this is. However, I think Mr E through the statements of the three vets has also provided sound expert opinions that the vomiting was a one-off. At the time of the claims, I don't think there is enough substantial evidence to link the claims as one condition. The reports suggest the treatment at the time resolved the sickness issue. There isn't further evidence of the pet vomiting. So, I don't think UKI has proven its argument is more likely, so I don't think it's reasonable for it to apply its exclusion here.

In parallel I've noted Mr E said if he'd known how UKI would treat the claim as one, he would likely have restricted the tests and costs that were been incurred. I understand that it is an easy thing to say, after the event. However, I think Mr E's actions later have demonstrated this is highly likely. When the diagnosis connected to the adrenal mass was made, Mr E decided not to have any further treatment for his pet (at additional cost to him) but chose to let nature run its course. I think if Mr E was aware he couldn't claim these costs back, I don't think he'd have followed such a path.

I think UKI as claims specialist, knowing there was likely to be follow up tests, should've made its position clearer from the beginning so Mr E was better informed what he was likely able to claim.

Therefore, for the reasons I've set out, I intend to uphold this complaint. I intend that UKI treat the two claims as separate conditions, so apply the £4,000 policy limit to each condition. This results in the first claim been paid in full (£2,292) and the second claim paid up to the policy limit (£4,000). I intend that UKI increase its settlement by £2,292, to reflect this provisional decision. So, Mr E will still pay part of the costs himself.

I think Mr E will have been distressed by UKI's decision and inconvenienced by having to dispute the decision and dealing with the vets to get statements. Therefore, I intend to award £150 compensation for the distress and inconvenience caused.

Responses to my provisional decision

Mr E accepted my decision. He thinks any investigations of the complaint by UKI should've been done independently. He said its review wasn't thorough and just prolonged the complaint unnecessarily.

UKI has presented the same information to me in a different way. It has shared snippets from the reports provided by the vets that treated the pet. It said Mr E hasn't provided some of the pet's medical history. UKI said it has stopped them from fully investigating the claim.

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.

UKI said Mr E had withheld medical records for his pet. This is new information. However, UKI didn't consider this an issue when it considered the claim before, so I'm not sure why these records now should provide a definitive link between the two claims. I think if this was a problem for UKI, then it should've declined the claim at the time based on this point.

However, it didn't. Instead, it declined the claim because it said the two claims were for the same condition (or linked to the same condition). I've explained in my decision, why I don't think UKI has proven this is more likely than not, so I don't think it's fair for them to rely on the exclusion.

Therefore, I'm not persuaded to change my decision, so I still uphold this complaint.

My final decision

My final decision is that I uphold this complaint. I require U K Insurance Limited pay Mr E:

- An additional settlement of £2,292 (so £6,292 in total)
- £150 compensation – for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 22 July 2024.

Pete Averill
Ombudsman