

The complaint

Mr M's complaint is about a claim he made on his Red Sands Insurance Company (Europe) Limited ('Red Sands') pet insurance policy.

All references in this decision to Red Sands include their claims handlers.

What happened

In January 2021 Mr M took out a Red Sands pet insurance policy to cover his young pet, which he renewed in 2022.

In July 2023 Mr M's pet became unwell, vomiting and passing blood through its stools. Following treatment, Mr M's vet submitted a claim on his Red Sands insurance policy on Mr M's behalf. Mr M heard nothing further until his vet said no payment had been made. When Mr M got in touch with Red Sands, they said that no claim had been registered by them as it needed to be made through their online portal.

Mr M duly submitted the claim through Red Sands' online portal, following which the claim was declined. Red Sands said the pet's clinical history showed a number of gastrointestinal problems prior to cover being in place and in the first 14 days of the policy starting which they said meant the present claim was pre-existing in accordance with their policy terms.

Unhappy, Mr M complained to Red Sands. Red Sands asked Mr M's vet to comment on the gastrointestinal issues recorded on the pet's clinical history. Mr M's pet's vet provided comments about the cause of some of the gastrointestinal issues recorded and said they were unrelated to the condition being claimed for in July 2023.

Red Sands considered the vet's comments but remained of the view that all of the incidents recorded were gastrointestinal issues and were pre-existing. As such the condition being claimed for in July 2023 would not have been covered. Red Sands maintained its decision to turn down the claim and apply an exclusion for gastrointestinal issues from the 2022 renewal. Mr M complained to the Financial Ombudsman Service.

Our investigator considered his complaint and concluded it should not be upheld. Mr M doesn't agree, so the matter has been 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 don't uphold Mr M's complaint. Before I explain why, I wish to acknowledge his strength of feeling about his complaint and the volume of submissions he's made. Whilst I've read everything he's said, I won't be addressing it all. That's not intended to be disrespectful. Rather it represents the informal nature of the Financial Ombudsman Service.

The starting point is the policy terms. They exclude:

“Any claim or costs for existing conditions, which means any injury or illness that relates to or results from an accident, injury, illness or where (the pet) showed observable changes to her normal healthy state, condition, appearance, bodily functions or behaviour that could be observed visually, diagnostically or otherwise before or within 14 days of your policy’s original start date.”

So, the issue for me to determine is whether Mr M’s pet had an existing condition that was the subject of the claim made in July 2023 which predated the 2021 policy being in place. In July 2023 Mr M’s pet was diagnosed with colitis which is an inflammation of the large intestine commonly displayed as diarrhoea or loose stools which will usually contain fresh blood and mucus. Prior to that condition his pet’s clinical history records the following:

14/12/2020 *“Scooting & loose light coloured stools”.. “advised to feed scrambled eggs & rice whilst stomach upset...”*

23/01/2021 *“Loose stools- not always been consistent in past, watery with bloody in”...*

“Diagnosis- Colitis-possibly dietary indiscretion/eaten rotten food etc”... “Diagnosis – gastroenteritis”

06/7/2021 *“History- o/r 12hrs lethargy & ++loose stools”*

04/08/2021 *“(Pet) keeps on having bouts of loose stools and accidents in the house intermittently.”*

12/01/2022 *“Off colour V+D”... Diagnosis- hge enteritis”*

Mr M says the condition being claimed for is not pre-existing and the problems his pet had were consistent with his pet’s age and that he was advised by his vet that young pets like his could often produce loose stools during their formative years. This isn’t however recorded in the pet’s clinical notes. Mr M’s vet has however provided Red Sands with more information on the pet’s clinical history generally in relation to the incidents I’ve cited above. He says:

“2020- No diagnosis but suspected worms

2021- Was campylobacter positive

2022- No diagnosis was reached

2023- Tested positive for parvo

So in my professional opinion no previous bouts were not related to the 2023 issue.”

The vet also says the pet’s stools resolved between January and July 2023 and were normal. But his account doesn’t address the cause of the pet’s problems in 2020 and in 2021 the pet was treated on three separate occasions for similar symptoms in January, July and August. From the clinical notes I’ve seen the campylobacter infection was identified in August 2021. Given this was 7 months after the incident in January 2021 and the vet has made no comments about this incident, I’m not persuaded that incident is connected to the campylobacter infection. Because of this I’m not satisfied that an explanation has been provided for the pet passing loose stools that are noted as *“not always been consistent in past, water with bloody in”* in January 2021. That means the two incidents that took place before cover was in place and in the first 14 days of the policy remain unexplained. After cover commenced it seems Mr M’s pet was also seen by the vet for similar symptoms in January 2022. The vet makes clear that no diagnosis was reached to explain the reason for the recorded entry of the pet having bouts of loose stools and accidents in the house intermittently.

I’ve also considered the Mr M’s vet’s comment that in 2023 the pet tested positive for parvovirus. Looking at the clinical notes this appears to be the cause of the claim Mr M made on the policy in July. Whilst this might be the cause of the symptoms Mr M’s dog was experiencing then, I’m not persuaded that given the pet’s history, the claim was not linked to previous incidents with the same symptoms. I say so because at least three of those

incidents are unexplained and are in relation to the same set of gastrointestinal issues. Whilst it's not for me to speculate why this might be, I don't think it was unfair for Red Sands to decline Mr M's claim in the way that they did. Their decision was based on a considerable history of gastrointestinal problems without any clear evidence to support why each incident was unconnected to the present claim. In this context I think Red Sands were entitled to reach the conclusion that the conditions were connected.

Red Sands also say that given Mr M's pet had a history of gastrointestinal issues before cover was in place, they're entitled to place an exclusion on the policy for these at the 2022 renewal. I've reviewed Red Sands' underwriting criteria which supports that they're entitled to do this. Whilst I know my decision will be disappointing for Mr M, Red Sands is entitled to decide what risks it's prepared to cover. Their underwriting criteria shows that the approach they've applied here to Mr M's policy renewal which I'm satisfied is consistent with how they'd apply this generally to policyholders. As such I take the view that Red Sands have treated Mr M fairly.

My final decision

For the reasons set out above, I don't uphold Mr M's complaint against Red Sands Insurance Company (Europe) Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 20 September 2024.

Lale Hussein-Venn
Ombudsman