

The complaint

Mr C complains that Casualty & General Insurance Company (Europe) Ltd (C&G) has unfairly relied on an exclusion in his pet insurance policy to turn down his claim for his dog's veterinary fees. He also complains that C&G's customer service has been very unsatisfactory.

Mr C has been represented throughout this complaint by Miss P, his dog's co-owner. But, since the pet insurance policy is in Mr C's name, I'll refer only to him in this decision.

What happened

Mr C took his dog to the vet for a routine vaccination and health examination. The dog's clinical records note that, during the consultation, Mr C said his dog wasn't finishing his meals, always had loose motions, had recently vomited and had had a dry cough for about a week. The vet's assessment was a possible gastro-intestinal problem and possible kennel cough. The vet advised delaying the routine vaccination and prescribed Mr C's dog with a probiotic and an antibiotic and also gave him a previcox injection. The vet discussed the possibility of further investigations with Mr C, including blood tests, but asked to see Mr C's dog again in eight days' time.

At the follow-up appointment with a different vet, the dog's clinical records note (among other things) Mr C saying his dog had been much better in himself since the last appointment. But Mr C was concerned his dog was underweight and often didn't want to eat. He also reported his dog was generally anxious. The clinical notes report a discussion about whether Mr C's dog's symptoms may be anxiety-related. But the vet's recommendation was that it was "*worth ruling out a medical cause within reason*" and bloods were taken. The results showed no abnormality, apart from Mr C's dog's lymphocytes being high. The clinical records say this could be due to a recent infection or could be stress-related but that "*no action for now*" was needed.

A few days after this, Mr C returned to the vet for his dog's delayed routine vaccination. He was described in the clinical records as being fit and well with no vomiting, diarrhoea or coughing and being on no medication. But because Mr C's dog was very anxious, the clinical records note Mr C was going to contact a behaviourist.

On Mr C's behalf, his vet submitted a claim of £331.89 to C&G for his dog's treatment. The claim form described Mr C's dog's condition as "Dry cough, especially at night; not eating his food; lethargic (not wanting to go out/walk); anxious; sneezing".

On receipt of the claim, C&G's assessor contacted Mr C's vet to find out how many conditions were being treated and investigated. The veterinary practice responded saying Mr C's dog had been "*seen for vomiting and (sic) anxious*" and that the vet could not say "*if the GI [gastro-intestinal] upset is linked to the anxious nature of the dog*".

C&G then turned down Mr C's claim. It said there was an exclusion in Mr C's pet insurance policy which said the costs for any diagnosis and investigations into the cause of behavioural issues weren't covered.

When Mr C complained to C&G about its decision and its unsatisfactory customer service, it said it was satisfied Mr C's claim had been correctly turned down.

Unhappy with this outcome, Mr C brought his complaint to us. The investigator who looked at it didn't uphold it. She said that, without evidence Mr C's dog's symptoms were due to an underlying medical condition, she didn't think C&G needed to take any further action.

Mr C disagreed and asked for an ombudsman to review his complaint. He said the blood tests were not taken to diagnose a behavioural issue but for medical reasons only – to show or to rule out physical complaints. He said the claim he made was for the cost of the blood tests and not for any behavioural treatment or advice.

In my provisional decision of 1 August 2024, I explained why I intended to uphold Mr C's complaint. Mr C has accepted my provisional decision and says he has nothing to add. C&G disagrees with my provisional decision and has sent a statement from its in-house vet for me to consider.

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, and for the reasons given in my provisional decision, I've decided to uphold Mr C's complaint. In that decision, I said:

"There was a term in Mr C's pet insurance policy that said Mr C had no cover for any claim relating to behavioural issues. And it said there was no cover for the costs for any diagnosis and investigations into the cause of behavioural issues. Behavioural issues were defined as a change in the normal, everyday behaviour of Mr C's dog caused by a medical, mental or emotional ailment.

C&G said Mr C's dog's blood tests hadn't shown any remarkable results. So it was satisfied his dog's symptoms were most likely caused by a behavioural issue, not a clinical one. Since cover for behavioural issues was excluded under Mr C's policy, C&G said his claim had been correctly declined.

My role isn't to decide whether Mr C's dog's symptoms were or weren't linked to a behavioural issue. Rather it's to decide if C&G has acted fairly and reasonably and in line with Mr C's policy terms in how it's dealt with his claim.

As C&G is relying on an exclusion not to pay the claim, the onus is on C&G to show the exclusion applies. So it needs to show that, more likely than not, the claim related to a behavioural issue or the costs of investigating and diagnosing a behavioural issue.

From what I've seen so far, I don't think C&G has acted fairly and reasonably. During the first consultation I've referred to, the vet's assessment was Mr C's dog had a possible gastro-intestinal problem and possible kennel cough. Both of these are physical conditions and medications were prescribed for the treatment of both. As I've mentioned, the vet also discussed the possibility of further investigations but he wanted to see Mr C's dog again.

At the next appointment, having completed the course of medication prescribed for the physical symptoms Mr C's dog had presented with at the first appointment, Mr C said his dog's overall condition had improved. But he remained concerned his dog was underweight and often didn't want to eat. The vet notes in the clinical records that Mr C's dog was

anxious during the consultation. The records go on to say: "Disc symptoms may be anxiety related but worth ruling out a medical cause within reason - adv bloods and folate and cobalamin. O happy to go ahead." The notes record Mr C's dog's bloods were tested for "TLI, Folate & Cobalamin (Canine) (Idexx) TFCB" and "Standard Profile (Idexx) SP21".

These were blood tests the vet recommended to assess whether Mr C's dog had an underlying physical condition. They weren't taken to diagnose or investigate a behavioural condition. So I don't think they fall within the exclusion in Mr C's pet insurance policy for the costs for any diagnosis or investigations into the cause of behavioural issues. I can see the results showed no abnormality (although the vet said the high lymphocytes could've been due to a recent infection (or have been stress-related)). But I have no evidence to show that, because there was nothing remarkable in Mr C's dog's blood test results, it's more likely than not his gastro-intestinal upset was caused by a behavioural issue. This is supported by the vet's statement (which I've previously quoted) that they couldn't say if the gastro-intestinal upset was linked to Mr C's dog's anxious nature.

Indeed, C&G has acknowledged the vet said that, while anxiety had been discussed, "symptoms have recently improved following a change in diet strongly supporting a physical gastrointestinal cause rather than behavioural cause."

The evidence suggests Mr C's dog may have behavioural issues but I don't think C&G has shown it's likely the symptoms being investigated were caused by a behavioural issue. All of this leads me to conclude that C&G hasn't acted fairly and reasonably, or in line with Mr C's policy terms and conditions, in applying the exclusion for behavioural issues in this case and so shouldn't have turned down Mr C's claim.

Mr C says daily life, family life, financials and personal time have been affected greatly by the claim, which he says has caused much distress and stress. He says C&G have refused to respond at times, or have been slow to respond, and have shown very poor customer service, with long phone calls and requests for information which has taken a lot of time and effort to provide. From this description, I think C&G's unfair refusal to accept Mr C's claim has caused him distress and inconvenience. And for this I intend to award Mr C £100 in compensation."

As I've mentioned, Mr C has accepted my provisional decision, while C&G has asked me to consider a new statement from its in-house vet. In it, C&G's vet reviews Mr C's dog's clinical history. He notes Mr C's dog had the blood test to rule out gastrointestinal disease, that the results did rule this out and so *"left anxiety as the presumptive diagnosis of the issue"*.

C&G's vet goes on to say:

"... this is a clear behavioural issue as is all too common in young dogs in the last few years. All dogs vomit and [Mr C's dog's] picky eating lasted months prior to the vomiting. A gastrointestinal problem was ruled out and kennel cough is also a common co-morbidity in young active dogs and does not change the behavioural root cause of this claim."

As I noted in my provisional decision, a behavioural issue was mentioned as a possible cause of Mr C's dog's conditions and investigations ruled out other causes. But while a behavioural issue *might* have been a cause that doesn't mean it was, on the balance of probabilities, the *actual* cause. In C&G's vet's statement, he refers to anxiety as the *"presumptive"* diagnosis – in other words, he's presuming anxiety is the cause. While he goes on to say this is a *"clear"* behavioural issue, I'm not sure his own assessment supports that conclusion. And in saying this, I've borne in mind that Mr C's own vets, who examined and treated his dog, couldn't say if his gastrointestinal upset was linked to his anxious nature – and also that Mr C's dog's symptoms improved when his diet was changed.

So while I've thought carefully about C&G's vet's statement, it doesn't change my conclusions on this complaint.

My final decision

For the reasons I've given here and in my provisional decision (which now forms part of this final decision), I uphold Mr C's complaint and direct Casualty & General Insurance Company (Europe) Ltd not to apply the exclusion for behavioural issues in Mr C's pet insurance policy but to pay the claim (subject to the excess and in line with the remaining terms and conditions of his policy).

If Mr C has paid the vet's fees, Casualty & General Insurance Company (Europe) Ltd should also pay him simple interest at the rate of 8% a year on those fees from the date he paid them to the date of settlement.

I also direct Casualty & General Insurance Company (Europe) Ltd to pay Mr C £100 in compensation for the distress and inconvenience its handling of his claim has caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 7 October 2024.

Jane Gallacher
Ombudsman