

The complaint

Mr M complains about Casualty & General Insurance Company (Europe) Ltd ("Now Pet Insurance") for deductions it made from his claim for veterinary bills following emergency treatment of his dog.

What happened

Mr M has a 9-year-old labradoodle, P. He insured her with Now Pet Insurance with Gold level cover. This offered cover for up to £3000 per condition, per year.

P was not spayed.

Cover started in January 2022.

In early February 2024, P became suddenly unwell. Mr M took her to the out of hours vet.

The vet carried out investigations and diagnosed that P had a condition called pyometra, which is a serious condition of the uterus, and which required aggressive treatment.

The vet recommended spaying P as an emergency. Mr M agreed.

Spaying dogs with pyometra is more complex than a routine spaying, and required additional care and treatment, for example with strong antibiotics and an longer stay in hospital.

The treatment was successful, and the vet invoiced Mr M. The total vet bill was £3490.91.

Mr M submitted a claim to Now Pet Insurance for reimbursement.

Now Pet Insurance scrutinised the claim and made deductions totalling around £2000. Now Pet Insurance then applied the excess, and co-payment deductions and paid to Mr M £1179.36.

Mr M complained. In particular, he considered that deducting the costs of general anaesthetic and spaying were unreasonable, given that the surgery was life saving emergency surgery and both were required.

Now Pet Insurance sent its final response to Mr M in May 2024. It maintained its view and argued that the policy excluded spaying in the section which excluded preventative, cosmetic or elective treatment.

Mr M was unhappy and contacted us.

One of our investigators has looked into this matter and recommended that the complaint be upheld. They noted that the spaying was not preventative in the circumstances and constituted essential treatment. The investigator recommended that Now Pet Insurance pay the costs of the claim up to the policy limits, along with interest, and that it pays to Mr M £100 compensation for his distress and inconvenience.

Mr M accepted that view.

Now Pet Insurance responded indicating a partial acceptance, but has not made clear its full position. The case has therefore been passed for ombudsman decision.

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.

I have reviewed the policy schedule and the policy wording in considering this matter. I found these to be vague in places and the wording appears to contradict the schedule in others.

I have also reviewed the deductions made by Now Pet Insurance and find these to be lacking in justification and in conflict with the policy schedule.

The policy schedule makes clear that the Gold policy covers up to £3,000 of vet bills per condition per year. The schedule does not include other limits of cover which Now Pet Insurance subsequently sought to apply, such as a limit on the cost of each night of hospital care.

The deductions also appear to treat essential elements of emergency treatment, such as consumables and single use items and a warming blanket as excluded, when these were part of the single course of treatment.

To deduct the routine cost of a spay is entirely artificial and inappropriate in this matter. The exclusion relied on referred to elective, cosmetic or preventative treatment which this patently was not. P was 9 years old at the time of her emergency treatment and had not been spayed before this. The spaying was in no way preventative treatment but was emergency lifesaving treatment following a serious condition.

Similarly, seeking to deduct costs of anaesthesia when the surgery could not have been conducted without it, is entirely inappropriate.

There is no suggestion in the policy schedule or key facts document that additional limits apply, and the long list of exclusions in the policy wording is unclear and confusing. I therefore think seeking to apply any maximum limits of cover, other than those listed in the policy schedule, was wrongly done.

Now Pet Insurance has not offered any justification or explanation for the additional deductions and indicated a broad acceptance of my colleague's view. I understand this to be an acknowledgement of sorts that the deductions were inappropriate in the circumstances.

I agree entirely with my colleague's view and uphold Mr M's complaint.

Putting things right

To put matters right Now Pet Insurance should settle Mr M's claim up to the £3000 limit of cover. It may deduct the excess and any co-payment which applied due to P's age. No other deductions should be made.

To that sum, Now Pet Insurance should add interest at the rate of 8% per annum from 7 February 2024 up until the date of settlement.

Now Pet Insurance should also pay to Mr M £100 for his distress and inconvenience.

My final decision

For the reasons given above, I uphold Mr M's complaint and direct Casualty & General Insurance Company (Europe) Ltd to:

- Settle Mr M's claim up to the limit of £3000 per condition. From this it may deduct the excess and co-payment only;
- To the above sum, add interest at a rate of 8% per annum from 7 February 2024 up until the date of settlement; and
- Pay to Mr M £100 compensation for his distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 25 November 2024.

Laura Garvin-Smith
Ombudsman