

The complaint

Miss B is unhappy with what Royal & Sun Alliance Insurance Limited did after she made a claim on her pet insurance policy.

What happened

In June 2024 Miss B claimed on her policy for treatment her cat (C) had received for diabetes (following which C was sadly put to sleep). RSA turned down the claim. It thought C had shown signs of diabetes prior to this policy being taken out in January 2024. And the policy didn't cover health issues a policyholder was aware of where that was the case. However, it accepted there had been some poor communication with Miss B for which it paid her £50.

Our investigator thought RSA acted correctly in saying the exclusion for pre-existing conditions applied. And while Miss B said she'd had continuous cover in place with RSA for many years she didn't think that was the case. While she'd had previous policies with RSA the cover hadn't been continuous; instead of renewing Miss B had taken out a new policy when her old one expired. She didn't uphold the complaint.

Miss B didn't agree. She said although vet notes from 2022 said her cat had been tested for diabetes the condition wasn't present at that time. And she disputed there had been any break in the cover she held with RSA; she was still covered by her old policy at the point she took out new cover. So I need to reach a final 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.

The relevant rules and industry guidelines say RSA has a responsibility to handle claims promptly and fairly. It shouldn't reject a claim unreasonably.

I've looked first at the terms and conditions of Miss B's policy. This does cover vet fees "*if your pet has been hurt in an accident or is ill*". But it goes on to explain:

"We don't pay for health issues, concerns, illnesses and injuries which you or your vet were aware of before you took out the policy, they are known as pre-existing conditions, they are:

- *signs or symptoms of diagnosed or undiagnosed injuries or illnesses;*
- *existing illnesses or injuries;*
- *existing physical abnormalities;*
- *existing illnesses, injuries or physical abnormalities which lead to other health issues or injuries*
- *illnesses or injuries which are medically linked to existing illnesses, injuries or physical abnormalities."*

The policy also says *“we don’t pay for illnesses which you or your vet were aware of in the first 14 days of your policy first starting, or any illness that develops from them. By illness we mean, both diagnosed illness and signs or symptoms of illness (undiagnosed illness).”*

Miss B says she’s had policies with RSA dating back a number of years and the start date of cover is therefore well before any issues with her cat became apparent. But while she’s clearly had cover with RSA for some time it appears each time she took out a new policy. For example she took out cover with RSA on 28 January 2023 which then expired on 28 January 2024. Prior to that she’d taken out another policy with RSA on 22 January 2024 which the claim she subsequently made was considered against. But those were different policies (they have different policy numbers).

And the terms are clear they don’t cover pre-existing conditions which Miss B or her vet was aware of *“before you took out the policy”*. If Miss B had renewed her existing policy then the policy start date would be when she first took that cover out. But because she took out a new policy (instead of renewing) each year the start date is the date each of those policies began. So in relation to her claim it’s pre-existing conditions she or her vet were aware of prior to the start date of 22 January 2024 (or those occurring in the first 14 days after that) the policy doesn’t cover.

I’ve gone on to think about whether RSA has applied that exclusion correctly and fairly to the claim Miss B made. In doing so I’ve taken into account our normal approach which is to consider whether a consumer knew there was something wrong with their pet prior to cover being in place which could likely lead to some investigation or treatment. There doesn’t need to be a diagnosis for something to be considered as pre-existing. What’s required is for the pet to be showing signs of illness or injury.

RSA initially relied on an entry in the vet notes from May 2022 which identified issues with obesity and *“warned re risks diabetes”*. But it doesn’t appear diabetes was present at that point or there were clear symptoms of it; the vet was warning that without corrective action C could be at risk of this in future. So I don’t think (and I think RSA has accepted) it can rely on this to say the exclusion applies.

However, I do think the notes from when Miss B took C to the vet in May 2024 (following which diabetes was diagnosed) indicate she would have been aware there was something wrong with her pet prior to the policy start date. The notes say the reason for the appointment was *“Lost A Lot of Weight In Short Amount Of Time”*. Miss B is recorded as saying C *“had lost weight a lot since December. Is starving all the time even will attack to have food or treats. Is drinking more than normal for few months now.”*

That suggests to me Miss B was likely aware of a change to C’s health prior to the start date of cover (and if not then within the first 14 days after cover was taken out). And it doesn’t appear to be in dispute those symptoms were related to the diabetes that was subsequently diagnosed and which Miss B’s claim on her policy relates to. So I think RSA was right to conclude the exclusion for pre-existing conditions applied.

I’ve considered whether it’s fair to apply that in the circumstances of this case. It might not be if a policyholder wouldn’t reasonably have thought the condition would lead to investigation or treatment. But I don’t think that is the case here. From the notes it does appear Miss B was aware of changes to the normal state of her cat (in relation to both weight loss and excessive drinking) prior to the policy start date.

And it doesn’t appear she’d been given, for example, any reassurance by a vet that this was nothing to worry about. So I don’t think she could have reasonably thought no further action

would be required at the point she took cover out. Given that I don't think it was unfair of RSA to rely on the policy exclusion for pre-existing conditions to turn down the claim she made. There was some poor communication with her in relation to this but I think the £50 RSA has already paid does enough to put things right here.

My final decision

I've decided not to uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 7 March 2025.

James Park
Ombudsman