

The complaint

Mr J complains that Royal & Sun Alliance Insurance Limited (“RSA”) rejected a claim on his pet insurance policy, saying the condition claimed for was a pre-existing condition and so was not covered. He’s also unhappy with the way the claim was managed.

Mr J and his wife submitted the complaint together but as he’s the sole policyholder, I’ll refer to him throughout.

What happened

Mr J took out pet insurance for his pet cat on 9 January 2024. On 27 February he took his cat to the vet as she was unwell and had lost weight. The vet arranged for blood tests to be carried out. After reviewing the test results, the vet said these suggested hyperthyroidism was the likely cause of the weight loss. Blood tests were to be repeated in three weeks.

On 24 March 2024 Mr J went back to the vet as his cat hadn’t been eating, and her weight had fallen further. The vet noted there were indications of a carcinoma. Further treatment was discussed but given his cat’s age and the likely prognosis, Mr J made the difficult decision to have his cat put to sleep.

Mr J then made a claim for the treatment costs. The diagnosis noted by the vet on the claim form was ‘hyperthyroid’.

RSA declined the claim, saying the first signs of the condition had been present in December 2023, which was before the policy started, and the policy doesn’t cover pre-existing conditions.

When Mr J complained about the decision, RSA said the clinical notes didn’t record the date when the issue started, but the notes from February 2024 recorded it as being “a few months ago”, so it must have been present by December 2023 at the latest.

Our investigator didn’t think it was fair for RSA to reject the claim based on a reference to a period of “a few months” to calculate the start date, when there was no clinical evidence to confirm this. She also said some of RSA’s records were inaccurate and this had caused some distress for Mr J. She asked RSA to pay the claim, together with compensation of £150.

RSA disagrees and has requested an ombudsman’s 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 industry rules and guidance say insurers must deal with claims promptly and fairly; support a policyholder to make a claim; and not unreasonably reject a claim.

The policy covers vets’ fees, but there’s no cover for treatment costs relating to a pre-

existing condition. This is not unusual and pet insurance policies typically exclude cover for conditions that are already present when the policy starts.

Under the 'Saying Goodbye' and 'Refunding the cost of your pet' sections of cover, the policy also provides for a payment to be made when a pet is put to sleep. But again, there's no cover here if it relates to a pre-existing condition.

It's for RSA to show that it's fair to rely on the exclusion to reject the claim. In deciding this was a pre-existing condition, RSA has relied on a comment in the vet's notes about weight loss. It says the vet hasn't recorded a start date for the first clinical signs, but the medical notes in February 2024 said the weight loss had started "*a few month ago*" and that must mean at least two months. So it calculated this would mean December 2023, meaning the condition was present before the policy started.

I've considered this carefully but I don't think it's fair to reject the claim on this basis. The notes from February 2024 don't say the clinical signs started "*a few month ago*". They say the pet had "*lost a lot of weight in a few months.*"

The last visit had been on 28 November 2023; so this note is referring to the fact that between that visit and the visit in February 2024, the pet had lost weight. It doesn't comment on when that weight loss started – just notes the weight was lower than it had been when the cat was last seen a few months ago. So the weight loss must have started somewhere between 28 November and February. There's no clinical evidence confirming when the weight loss actually started, only that it was at some point after 28 November (the weight having been stable in the previous year up to then).

I don't think this is enough to say the pet had started losing weight before the policy began, or that Mr J was aware of the problem then - he took his cat to the vet when he became aware of the problem in February 2024.

RSA did obtain veterinary advice, which was that the weight loss was likely due to the condition that was treated. It also referred to other symptoms that had been seen previously, which were indications of the same problem. But although those might have been signs of the same condition, the evidence doesn't confirm they were; they could have been related to something else.

I don't think there was enough evidence for RSA to say Mr J was aware the condition was present before he took out the policy. In these circumstances its decision to decline the claim was not fair and reasonable.

Mr J also complained that RSA had recorded his cat's name incorrectly, and had only referred to the claim being for treatment costs, without referring to the fact his cat had died. This was upsetting for Mr J and his wife, particularly given the distressing situation they were in at the time.

The policy documents were issued with an incorrect name. RSA said it had issued the policy documents with the name it had been given when the policy was taken out. That may be so, but in a later phone call Mr J said the name was incorrect and needed to be changed. So he would have expected this to be corrected but it wasn't and this added to their distress.

For these reasons, I don't consider RSA handled the claim fairly or that it was reasonable to decline the claim. So it should be covered, and compensation paid for the distress caused, which could have been avoided.

My final decision

I uphold the complaint and direct Royal & Sun Alliance Insurance Limited to

- Pay the treatment costs in line with the remaining policy terms, together with any payment due under the policy sections 'Saying goodbye' and 'Refunding the cost of your pet', and – if Mr J has already paid any costs – pay interest* from the date he paid those costs to the date of settlement at 8% a year simple.
- Pay £150 compensation for the distress and inconvenience caused.

* If Royal & Sun Alliance Insurance Limited considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr J how much it's taken off. It should also give Mr J a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 27 March 2025.

Peter Whiteley
Ombudsman