

The complaint

Mr Y is unhappy the Equine and Livestock Insurance Company (ELIC) turned down a claim he made on his pet insurance policy.

What happened

On 29 December 2023 Mr Y took out pet insurance to cover his dog. On 12 January he took his dog to the vet as he'd observed symptoms including shaking and foaming at the mouth. Following treatment a diagnosis of epilepsy was reached by the vet. Mr Y claimed on his policy for the treatment costs he'd incurred.

ELIC said the policy didn't cover an illness or condition which displayed clinical signs within 14 days of the commencement of the policy. In this case that period ended at 16.10 on 12 January. And the first record in the vet's notes was from 9.45 that day. So it thought the exclusion applied and turned down the claim. And it said it would apply an exclusion for epilepsy and related conditions from the policy renewal date.

Our investigator thought the exclusion had been made clear to Mr Y in the information ELIC was responsible for at the point he took out the policy. And it had correctly concluded it applied to the claim he made. Although some of the treatment Mr Y had claimed for took place after the end of the waiting period the policy excluded the costs of any illness which had displayed clinical signs within that period. She didn't think ELIC had given Mr Y misleading information about the application of the exclusion when it spoke to him. And she thought it had applied the exclusion for epilepsy at renewal in line with its underwriting criteria. She didn't think it had treated Mr Y unfairly.

Mr Y didn't agree. He highlighted the information he'd already provided and said the diagnosis of epilepsy had taken place after the waiting period had expired. So even if claims that fell within that period weren't covered the exclusion which had now been applied should be reconsidered. And he'd been led to believe the claim would be accepted when he spoke to ELIC. He wasn't told it would depend on the start time of the policy and ELIC hadn't made clear that was important. 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 ELIC has a responsibility to handle claims promptly and fairly. It shouldn't reject a claim unreasonably.

The terms and conditions of Mr Y's policy provide cover for treatment costs but exclude cover for "*costs for any illness or condition displaying Clinical Signs within 14 days of the commencement date/time shown on Your policy schedule*". The policy schedule says that's 29 December 2023 at 16.50. So the 14 day exclusion period expired at 16.50 on 12 January.

I think it's clear Mr Y's dog was displaying clinical signs of illness within that period. He took him to the vet on the morning of 12 January and the vet's notes record a consultation at

9.45. I appreciate this was a sudden and unforeseen situation (and no previous symptoms had been displayed). But that doesn't change the fact clinical signs of his dog's condition occurred within 14 days of the policy commencing. So I think ELIC has correctly concluded the exclusion applies.

Mr Y says a diagnosis of epilepsy wasn't given by the vet until after the exclusion period had expired. But that doesn't make a difference to the position on policy coverage. The term excludes an illness or condition which displays clinical signs within the first 14 days. I don't think there's any dispute that the subsequent diagnosis of epilepsy was related to the clinical signs that were displayed within that period. So subsequent treatment costs would also be caught by the exclusion.

I've considered whether it's fair of ELIC to apply that exclusion in the circumstances of this case. Mr Y says most of the correspondence from ELIC didn't reference the time he took the policy out as being important. However, I think the policy terms are clear on that. And I understand when taking out the policy Mr Y would have had to confirm his agreement to a statement which said *"I understand that costs for any illness displaying clinical signs (changes in my pet's healthy state, condition, appearance, bodily functions or behaviour) within 14 days of the commencement date/time shown on my policy will not be covered"* That statement was also included in the policy information which was sent to him.

Mr Y says ELIC led him to believe the claim would be covered when he spoke to it. However, I've listened to calls from 12 January and I don't agree with him on that. There was an initial discussion over whether he could make a claim given this was day 14 of the exclusion period. He was advised he could but it might be excluded. Mr Y then spoke to the claims teams who were clear the policy didn't cover claims arising within the 14 day exclusion period. And as 12 January was the 14th day the claim wouldn't be covered. Mr Y was unhappy with that and appears to have ended the call. I don't think Mr Y could reasonably have thought from those calls his claim would be paid.

I recognise Mr Y is also unhappy with ELIC's decision to add an exclusion for epilepsy and related conditions from the policy renewal date. However, that's something it's entitled to do; the policy terms say *"We reserve the right, upon each renewal of Your policy, to make changes to the scope of Your insurance cover"*. It should act reasonably and in line with its underwriting criteria in doing so but I've seen underwriting evidence which satisfies me it's done that. So I can't say it's done anything wrong here.

I know this has been an extremely difficult experience for Mr Y both in terms of the impact on his dog and the financial costs of the vet's treatment. But for the reasons I've explained I think ELIC has correctly and fairly turned down the claim he made. So there aren't any grounds on which I could require it to reimburse the costs he's incurred. I'm sorry to bring him what I do appreciate will be extremely disappointing news.

My final decision

I've decided not to uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 6 May 2025.

James Park
Ombudsman