

The complaint

Mr C complains about the decline of his pet insurance claim by Red Sands Insurance Company (Europe) Limited ('Red Sands').

What happened

The background to this complaint is well known to Mr C and Red Sands. Rather than repeat in detail what's already known to both parties, in my decision I'll focus mainly on giving the reasons for reaching the outcome that I have.

Mr C took out a pet insurance policy with Red Sands on 3 July 2024. Sadly, following the death (euthanasia) of his cat, Mr C made a claim for costs. Red Sands declined the claim as they said the euthanasia occurred because of a pre-existing medical condition (chronic kidney disease). Mr C raised a complaint. He said Red Sands had declined the claim without fully investigating the circumstances.

Red Sands didn't uphold the complaint and as Mr C remained unhappy, the complaint has been referred to me for 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.

Our Service is an alternative, informal dispute resolution service. Although I may not address every point raised as part of this complaint - I have considered them. This isn't intended as a discourtesy to either party – it simply reflects the informal nature of our Service.

I'm very sorry to hear of the death of Mr C's cat and the emotional distress this has caused him. I know this complaint will be very emotive for Mr C.

The scope of my decision

I'll be considering whether Red Sands' decision to decline Mr C's claim was both in line with the policy terms and fair and reasonable in the circumstances. I'll also be considering the service they provided when responding to the claim.

As the complaint has progressed, Mr C has introduced several new complaint points. For example, after our Investigator's assessment he raised issue with the sale of the policy and the information he was given. On 29 April 2025 he also said he wanted to raise a new complaint about the decision by Red Sands to deny a claim related to constipation in October 2024.

Mr C has referred to cover offered by other pet insurance providers. I won't be considering the actions of any other insurer when reaching my decision.

My key findings

This claim was ultimately declined because Red Sands said euthanasia was the end result of pain and suffering arising out of a pre-existing condition ('PEMC'), and the policy doesn't provide cover if a pet dies because of an illness which started before the policy began.

The policy definition is as follows:

"A condition, injury or illness is pre-existing if [the pet] has shown signs or symptoms before you joined [Red Sands]."

This isn't an unusual term. I'm satisfied Red Sands have fairly shown that Mr C's cat did have a PEMC that predated policy inception, going back as far as 2022. I say this because the veterinary medical notes from December 2022 say *"likely early stage CKD (chronic kidney disease) present"*.

I don't find it unusual that Red Sands based their initial decision on the evidence available (medical notes) to them, before going to the vet for further information after Mr C raised issue with the claim decline.

The vet stated [bold added for my emphasis]:

"The patient presented to me in a state of extreme illness and was not responding to medical management of acute on chronic kidney disease....Euthanasia was performed on welfare grounds as the prognosis for a cat in kidney failure who is not responding to treatment is very grave...The reason for euthanasia was acute on chronic kidney disease and a subsequent uraemic crisis..."

The vet's statement clearly states the euthanasia was because of acute chronic kidney disease. And as the evidence supports that Mr C's cat's kidney disease started before the policy began, I'm satisfied Red Sands has fairly declined the claim in line with the policy terms.

Although I've found the claim decline was in line with the policy terms, I've also considered whether the decision to decline the claim is fair and reasonable in the circumstances here. A key argument raised by Mr C is euthanasia was carried out to end his cat's pain and suffering. I agree with Mr C. But this doesn't mean Red Sands have unfairly declined the claim. He has further said:

"...if a pet's suffering, which a vet clearly states was acute, irreversible, and unethical to prolong, isn't enough to qualify for euthanasia coverage, then what is? What does this policy actually cover under its euthanasia clause? So again, what is this clause for, if not for this exact situation?"

As a responsible pet owner, Mr C took the difficult, but humane decision to limit his cat's suffering. I'm satisfied the proximate cause for euthanasia being performed was his cat's worsening symptoms arising out of the PEMC. Mr C has been unable to sufficiently demonstrate another cause for the euthanasia - that's not linked to the PEMC. Therefore, although the policy does cover euthanasia in some circumstances - the remaining policy terms and exclusions also apply, and this means Red Sands can fairly decline the claim in the circumstances.

Mr C has referred to a rapid decline in his pet's health following medication being prescribed. He has said the medication in question is not suitable for cats with the relevant PEMC. I'm not considering the actions of the vet in this decision, but it stands to reason that the vet would've made a measured decision based on the health of the cat at that time. If Mr C is

alleging a consequential loss (euthanasia costs) has arisen out of the actions of the vet, he'd first need to raise that with the vet, but it wouldn't be a complaint that our Service could consider.

The PEMC exclusion relied on by Red Sands isn't particularly unusual, but any complaint Mr C wants to raise about the information he was given at policy inception by Red Sands would first need to be raised with them before our Service could investigate that point.

My decision will of course disappoint Mr C, but it ends our involvement in trying to informally resolve this part of his dispute with Red Sands.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 3 September 2025.

Daniel O'Shea
Ombudsman