

The complaint

Ms H is unhappy Pinnacle Insurance Limited turned down a claim she made on her pet insurance policy.

What happened

In July 2024 Ms H's dog (H) was referred to a behavioural therapist as he'd growled at another dog when at the vet's for a pre-op check. The vet notes also record he could show aggression towards Ms H's daughter. Prior to the referral appointment Ms H asked Pinnacle whether this would be covered by her policy. It said behavioural therapy, if recommended by a vet, was covered up to £1,500.

Ms H went ahead with the appointment and subsequently claimed on her policy for the cost of it. Pinnacle turned down the claim at the start of November. It thought the evidence (including the report from the therapist) showed H had displayed symptoms of aggression prior to the policy being taken out in October 2023. And the policy didn't cover treatment for pre-existing conditions.

Our investigator didn't think Pinnacle had fairly turned down the claim. While the therapist did identify H had become reactive towards Mrs H's daughter in July 2023 it wasn't unreasonable Ms H thought the cause was 'resource guarding'. And there was no reference to this issue in the vet's notes until 16 months after H had been adopted. In addition, she didn't think Pinnacle had shown that any condition impacting H prior to the policy being taken out was the same as the one Ms H subsequently claimed for. She didn't feel Ms H would have been aware of an issue which could give rise to a claim prior to taking out the policy. And she didn't think there was anything Ms H should have told Pinnacle about in response to the questions it asked when the policy was taken out.

She thought Pinnacle should settle the claim Ms H had made (subject to the policy terms and limits) and pay 8% interest on any settlement from the date the claim should have been paid until the date it was. She also said it should pay Ms H £150 in recognition of the avoidable distress and inconvenience it had caused her.

Pinnacle didn't agree. In summary it said:

- It thought H had been displaying inappropriate or unwanted behaviour since July 2023 and Ms H had tried self-treatment (including an anti-bark collar) which appeared to have made matters worse. And she'd recognised the worsening behaviour as she'd then discussed castration with her vet. It thought she would have been aware of these issues at the point she took the policy out and didn't this was a separate condition to the one she subsequently claimed for.

- It had referred the matter to its inhouse vet (and provided a copy of her report). She also advised it was reasonable to consider the behavioural issues to be a pre-existing condition. The referral was made to address aggression towards Ms H's daughter which had been ongoing since July 2023. The vet advised the behaviour was clearly not resource guarding but aggression towards an individual based on their presence (or an association with their fitting the anti-bark collar).
- It didn't accept that the questions it asked about pre-existing conditions were unclear and it thought Ms H should reasonably have disclosed information about H's behavioural issues when taking out the policy. It asked the question so for high risk cases it could then obtain the veterinary history to help inform its underwriting process. It said previous decisions from our service had agreed these questions were clear.

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 Pinnacle 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 Ms H's policy. The cover it provides includes *"any complementary and physiotherapy treatment your vet recommends up to the maximum benefit"*. And it appears to be accepted the costs of the behavioural assessment the vet recommended are potentially something that section of the policy could cover. Pinnacle said to Ms H in August 2024 *"you are covered for complementary treatments including behavioural therapy if recommended or referred by your vets to up to £1500"*.

The issue is that the policy doesn't cover pre-existing conditions which it says is *"any condition or symptom, or anything related to it, that you were aware of or has been noted and/or checked by a vet, before this policy started"*. The definition of condition is *"any illness or accidental injury whether or not it results in a diagnosis"*. Illness means *"physical disease, sickness, abnormality, infection or failure which is not caused by an accidental injury. This includes any symptoms, whether or not diagnosed"*. And the definition of symptom is *"a change in your pet's normal healthy state, its bodily functions or behaviour"*.

Pinnacle thinks that applies to the claim Ms H made because her dog had been displaying inappropriate or unwanted behaviour since July 2023 and that's related to the claim she subsequently made. The key evidence in relation to that is the report from the behavioural therapist. That identifies from July 2023 H had become reactive towards Ms H's daughter. This took the form of tensing, staring, barking, growling and trying to grab her arms. And it happened when she got up from a chair or walked out of the room. Pinnacle says the report goes on to identify that Ms H had tried self-treating this issue by using an anti-bark collar on H. And as H's condition worsened castration was then discussed with the vet.

I don't think that's right. I can't see any reference in the veterinary evidence to the proposed castration being a response to any behavioural issues H was experiencing. Pinnacle's inhouse vet says *"the first mention of a behavioural issue in the veterinary clinical history was in July 2024, when the dog presented for preoperative check for castration"*.

I don't think Pinnacle are right to say the anti-bark collar was a treatment for the behavioural issues either. The behavioural report says *"the only environmental or routine changes prior to the onset of this behaviour was the introduction of an anti-bark collar that vibrates and"*

beeps, which [daughter] more often put on..." It goes on to give a behaviour diagnosis. The conclusion is *"Based on the timeline for behaviour development, it is likely that the anti-bark collar or anticipation of it is causing much of the reactivity directed at [daughter]. This considers that [daughter] has mostly been the one to put this on [H], and each time she gets up from her seat or walks around indoors, [H] will not know if she is about to get the collar. [H] likely used low-level signalling initially to try to communicate that he wasn't coping with the anti-bark collar, but over time learnt that lower-level signalling is ineffective and therefore he needs to escalate his response."*

That suggests to me the collar wasn't a treatment for the behavioural issues but was more likely the trigger for them. And I think for the issues H was displaying prior to the policy being taken out to be caught by the policy wording they would need to represent a change from his normal healthy state. I don't think the evidence from the therapist supports that. She does identify a change in H's behaviour and I accept she doesn't find that resource guarding is the likely cause of it. But she identifies a clear alternative cause (the use of the anti-bark collar). Pinnacle's inhouse vet also identifies that as the potential cause of H's behavioural change. And I don't think that would reasonably constitute a symptom or condition as defined in the policy. It doesn't appear to me to be an unusual or disproportionate reaction to the use of a collar H wasn't able to cope with. I haven't seen clear evidence it represents a change to his normal healthy behaviour.

In any case for Pinnacle to apply the exclusion for pre-existing conditions it would need to show the issues impacting H prior to the policy being taken out had the same underlying cause as those which form the subject of Ms H's claim. I don't think it has. Prior to cover being taken out H's reaction was to Ms H's daughter (potentially because of her association with the anti-bark collar).

The report then goes on to identify further and more recent behavioural issues (after the policy was taken out). But the therapist is recorded in the vet's notes as saying H shows *"behavioural indicators for a health complication"*. Further tests carried out by the vet then found H had a digestive disease which I understand he's now on medication for. And as I understand Pinnacle paid the investigation costs associated with that condition it's presumably accepted this wasn't present prior to the policy being taken out. So it couldn't have been the cause of any issues impacting H at that time.

I appreciate there isn't a definitive diagnosis as to whether those digestive problems were the cause of H's later behavioural problems, But they were identified following a specific request from the therapist who said he did show behavioural indicators of a health complication. And Pinnacle hasn't provided any evidence which shows otherwise. So I'm not satisfied it's shown there's a link between the issues which form the subject of Ms H's claim and those impacting H prior to the policy being taken out.

Pinnacle has also referenced the questions Miss H was asked when she took out this policy. I understand that asked if H had *"ever shown any signs of injury or illness or been unwell? We need to know about anything you have noticed or discussed with your vet or any other professional about [H]'s health or behaviour. Even if there was nothing to be concerned about and the problem was resolved quickly"*

I think that and the associated guidance would have made clear to Ms H she should let Pinnacle know about any pre-existing conditions H was suffering from. But for the reasons I've already explained I don't think the change in H's behaviour as it related to her daughter represented a pre-existing condition. So it wasn't something she needed to tell Pinnacle about. In any event, even if Ms H had made a misrepresentation, under the relevant law Pinnacle would only be able to take action if it could show it wouldn't have entered into the contract at all or would only have done so on different terms. That isn't the case; it told us

the policy wasn't underwritten at the point of sale and so no exclusion would have been placed on it even if Ms H had provided information about a pre-existing condition.

Finally, I've also reviewed the information from Pinnacle Ms H was sent when she asked if cover would be provided for behavioural therapy. It said "*I can advise you are covered for complementary treatments including behavioural therapy if recommended or referred by your vets to up to £1500*". It did refer Ms H to the policy terms for more information but didn't specifically say any cover provided would be subject to those terms which I think it should have done. But given I've already concluded Pinnacle wrongly turned down the claim Ms H made this isn't an issue which affects the outcome of her complaint.

Putting things right

Pinnacle will need to pay Ms H's claim (subject to the policy limits and any applicable excess). It will also need to pay her interest at 8% simple on the settlement amount from the date the claim was wrongly declined (6 November 2024) until the date of settlement. I also agree Ms H will have been caused some avoidable distress and inconvenience by what Pinnacle got wrong. In recognition of that it will need to pay her £150.

My final decision

I've decided to uphold this complaint. Pinnacle Insurance Limited will need to put things right by doing what I've said in this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 7 July 2025.

James Park
Ombudsman