

## **complaint**

Mr H's complaint is about Red Sands Insurance Company (Europe) Limited's decision to decline a claim he made on his pet insurance policy.

All references to Red Sands include its claims handlers.

## **background**

In 2015 Mr H made a claim on his pet insurance policy to cover treatment of a condition his pet was suffering from. Red Sands declined the claim. It said it related to a condition his pet had before he took out the policy in 2012.

Mr H didn't agree. He provided a letter from his vet saying the two conditions were unrelated. Our adjudicator assessed Mr H's complaint and concluded that it should be upheld. Red Sands didn't agree. It said the vet's notes suggest the condition was caused by the earlier condition Mr H's pet was suffering from before he took out the insurance. Because of this the matter has been passed to me to decide.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr H's policy doesn't cover conditions his pet suffered from before he took out the insurance. This is a common exclusion in pet insurance policies and one which we don't generally consider to be unfair.

Mr H has provided a letter from his vet which says that on examination the condition his pet was diagnosed with was different to the condition he suffered with before he bought the policy. It also makes clear the two conditions are different and have very different causes and are not related.

Red Sands doesn't agree. It says it has conducted its own research into both conditions. It accepts that the condition Mr H's pet was suffering from in 2015 wasn't present before the start of the policy. But the other condition was. It thinks that the vet's notes indicate that the new condition was secondary to the pet rubbing his face on carpet and therefore was likely to be as a result of the trauma of the earlier condition, which also existed at the time. Red Sands also says that it accepts the previous conditions were treated and resolved before the policy started. But it also says that the nature of the condition was such that it could reoccur and it is clear from the clinical history that Mr H's pet was having recurrent bouts of the same condition since 2011 and that this led to the present condition Mr H wants to be covered for.

The definition of pre-existing condition under the policy is:

- *“any condition, symptom or sign of a condition occurring or existing in any form and at any time prior to the commencement date; or*
- *any illness, symptom or sign of an illness occurring or existing in any form during the first 14 days of the commencement date.”*

It's right that Mr H's pet did appear to be suffering from the earlier condition that occurred both before and after the start date of the policy, and immediately before the new condition as diagnosed. But I don't think it's right for Red Sands to conclude that this caused the present condition. Red Sands has reached this conclusion based on the vet's notes which say "*poss 2ndary to rubbing face on carpet*". But this isn't conclusive. The vet's later diagnosis that the two conditions aren't linked because they affect entirely different structures and tissues is in my view far more persuasive. So I think Mr H is entitled to rely on this. Because of this I think that it was unfair for Red Sands to turn down Mr H's claim.

I understand that Red Sands applied an exclusion to Mr H's policy for all claims with respect to the eyes and sight, with effect from 28 May 2012 but has subsequently removed this. This is because it says it's entitled to rely on its policy terms to exclude claims for pre-existing conditions. I think that's right as long as it does this in relation to pre-existing conditions only and not ones that have been determined to be unrelated to earlier conditions by a vet.

### **my final decision**

I uphold Mr H's complaint against Red Sands Insurance Company (Europe) Limited and direct it to cover the cost of Mr H's claim, subject to the remaining policy terms and conditions. It should also pay him interest at 8% per year simple\* on the sums he has paid in respect of the claim that are recoverable under the policy, from the date Mr H paid them until he is reasonably reimbursed .

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 11 April 2016.

Lâle Hussein-Doru  
**ombudsman**

\* HM Revenue & Customs requires Red Sands Insurance Company (Europe) Limited to take off tax from this interest. Red Sands Insurance Company (Europe) Limited must give Mr H a certificate showing how much tax it's taken off if he asks for one.