

complaint

Mrs W has complained about QBE Insurance (Europe) Limited. She isn't happy that it turned down a claim made under her pet insurance policy.

The circumstances of this complaint are set out in my provisional decision issued in February 2016 as outlined below:

background

Mrs W took out a pet insurance policy with QBE in September 2014 for her dog. She made a claim in March 2015 for treatment costs but it refused the claim.

It said that her dog's treatment related to dealing with skin parasites and that this wasn't covered under the policy. It said that the policy doesn't cover claims to get rid of parasites or claims stemming from these procedures. So it turned down the claim.

As Mrs W wasn't happy she complained to QBE and then this service. Our adjudicator partly upheld the complaint. She believed that the policy didn't cover treatment to get rid of parasites. But she was of the view that this exclusion didn't extend to investigations to diagnose the condition. So she suggested that this part of the claim should be covered.

QBE did not agree and asked for a final decision.

my provisional findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I am minded to fully uphold Mrs W's complaint. I will explain why.

If QBE wants to exclude cover for all parasites in all incidents then I would expect it to make it abundantly clear in its documentation.

QBE told Mrs W it accepted that the treatment wasn't considered routine, but said the problem was caused by a parasite, so it wasn't covered. However, the exclusion clause it is relying on clearly says that there isn't any cover for 'preventive and routine treatments...' and includes parasites within the clause.

I think the clause seems to aim to prevent owners from claiming for routine measures that pet owners ordinarily undertake. It also mentions vaccinations and cosmetic procedures within the body of the clause. As such, I think most pet owners would read it that way.

As QBE are aware this service's general approach to ambiguity within a clause should be interpreted in the consumers favour. While I accept that it could be read to mean all parasites, it could also be read to mean just for preventative and routine treatments. I think this is emphasised by the fact that the list outlined within the clause is for such preventative and routine treatments. But Mrs W's dog required the treatment for medical reasons due to problems with the dog's immune system. Not for 'preventative or routine treatments'.

I also note that the clause isn't highlighted in the key facts document. So I don't think that Mrs W, or any other consumer, would be aware of the restriction in cover.

Ultimately, I think that if QBE wants to exclude all treatment in relation to parasites then it should specifically say so in a separate clause and within the key facts document. It should certainly be clearer.

my provisional decision

At this stage I am minded to find in Mrs W's favour. I am minded to require QBE Insurance (Europe) Limited to pay the claim in accordance with the other terms and conditions of the policy. Interest would be payable at 8% per annum simple from the date of any payment made by Mrs W to the date of settlement.

developments

Both parties have accepted my provisional decision. Indeed I understand that QBE has started the process of paying the claim.

my findings

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

As both sides have accepted my provisional decision I don't propose to rehearse the evidence again here. I will simply move to uphold the decision.

my final decision

It follows for the reasons set out above that I uphold this complaint. I require QBE Insurance (Europe) Limited to pay the claim in accordance with the other terms and conditions of the policy. Interest would be payable at 8% per annum simple from the date of any payment made by Mrs W to the date of settlement.

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

Colin Keegan
ombudsman