

The complaint

Mr M has complained about the exclusions that Allianz Insurance Plc added to his pet insurance policy and about the service he received.

What happened

Before Mr M took out a pet insurance policy with Allianz for his dog in 2022, he told Allianz that the dog had previously been diagnosed with patella luxation (knee dislocation) for which he'd had surgery on one leg. Allianz told Mr M it would place exclusions on the policy for patella luxation in both hind legs and arthritis/degenerative joint disease of the stifle joints.

Mr M also mentioned that the dog had a skin rash. Allianz placed a further exclusion on the policy for skin disorders. It said it would review this exclusion after 24 months if the dog was free of problems in that regard.

Mr M proceeded to buy the policy.

After 12 months Mr M contacted Allianz about the exclusions. After a review Allianz agreed to remove the exclusion for skin disorders.

Mr M complained about the service he'd received, in particular not being called back within agreed timescales. He also wanted Allianz to remove the other exclusions.

Allianz refused to remove the other exclusions. It said patella luxation is a congenital condition which can cause lameness, pain and arthritis.

After Mr M complained to Allianz, it offered him compensation of £60, later increased to £250 for its poor service.

Mr M brought a complaint to this service. Our Investigator didn't uphold it. She didn't think Allianz had treated Mr M unfairly. She also thought its offer of compensation was generous.

As Mr M didn't agree, the matter has been referred to me.

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.

My role is to assess whether Allianz has treated Mr M fairly and reasonably.

Allianz has now removed the exclusion for skin disorders. So that's no longer an issue although I will consider how Allianz dealt with this below.

During the sales call when Mr M bought the policy, Allianz asked about any pre-existing conditions. Mr M explained that the dog had patella luxation and had been operated on for that. Pre-existing conditions aren't covered by the policy which isn't unusual for pet

insurance policies. As a result, Allianz added exclusions from the start of the policy for patella luxation and arthritis/degenerative joint disease.

Patella luxation is a congenital condition which can lead to other problems that require veterinary management. It often affects both hind legs. So it is a known risk and I don't think it was unreasonable for Allianz to want to exclude cover for it. I appreciate that Mr M's dog is fortunately not suffering from arthritis and doesn't have any problems with his other hind leg. But we generally won't tell an insurer what risks it should insure. Based on what I've seen, Allianz has treated Mr M in the same way it would any of its other customers in his circumstances and he hasn't been unreasonably singled out for different treatment. I've seen a copy of the underwriting criteria and I'm satisfied these exclusions were fairly added based on the information Mr M had given. I don't think Allianz has acted unfairly by leaving them on the policy.

I agree that the service Mr M received from Allianz could have been better. It didn't do what it had promised or respond to Mr M's enquiry. Also, Mr M's calls weren't returned in a timely manner. As it later acknowledged, it was over-cautious in putting an exclusion for skin disorders on the policy. But Allianz has recognised this and offered £250 compensation. I think such an offer is fair and reasonable in the circumstances. I'm not going to require Allianz to do any more in respect of this complaint.

My final decision

For the reasons set out above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 23 October 2023.

Elizabeth Grant
Ombudsman