

The complaint

Miss G's complaint is about a claim she made on her U K Insurance Limited trading as Direct Line ('UKI') pet insurance policy for vet's fees for a condition her pet suffered from following dental treatment.

UKI declined to pay Miss G anything.

Miss G says this is unfair and that she has suffered financial hardship as a result of the position UKI have taken.

What happened

Miss G made a claim on her UKI pet insurance policy for vet's fees for a condition her pet suffered from following dental treatment.

UKI declined to pay Miss G anything. They said that the condition that Miss G's pet had been treated for most likely arose out of the earlier dental treatment and as such formed part of the dental claim. The policy limit for dental claims had been reached so UKI said they weren't able to pay her anything more.

Miss G said this was unfair and supplied evidence from her vet to say that it couldn't be said with any certainty what the cause of the condition was that she was claiming for, so she felt it was unfair to treat the condition as part of the dental claim. UKI didn't agree so she referred the matter to the Financial Ombudsman Service.

Our investigator considered Miss G's complaint and concluded it should be upheld. She said there wasn't conclusive evidence to show the condition and treatment Miss G was claiming for was as a result of the dental treatment, so it wasn't fair for UKI to take the position they had. The investigator directed UKI to assess Miss G's claim in line with the remaining policy terms and pay her £100 in respect of the trouble and upset caused to her.

UKI didn't agree. They relied on their own vet's evidence to say the condition was very likely to have been caused by the previous dental treatment and as such their decision was fair. Because of this Miss G's complaint was passed to me to determine.

In November 2023 I issued a provisional decision in which I said:

"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 uphold Miss G's complaint but for different reasons to those reached by the investigator.

The starting point is the policy terms. They say:

<i>"Vet fees</i>	<i>Essential</i>	<i>Advanced</i>
<i>Per condition</i>	<i>Up to £4,000</i>	<i>Up to £8,000</i>

Dental illness	Not covered	Up to £1,000 (included in the overall vet fee limit)"
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Miss G had an advanced policy, so the cover afforded for 'Dental illness' was up to a limit of £1,000. The condition Miss G was claiming for was pyothorax which is described as 'the presence of inflammatory fluid or pus within the chest cavity, which is the area between the lungs and the inner walls of the ribs'.

I've seen a wealth of submissions from UKI and their own vet which they say support that pyothorax was very likely to have been caused the earlier dental treatment Miss G's pet underwent a month before. Conversely Miss G's own vet says it's impossible to determine the cause of the pyothorax and that the underlying cause is often unknown. But I don't think that matters in this case. That's because I'm not persuaded that the claim Miss G was making was for dental illness at all at this point; rather it was a separate condition entirely.

'Dental illness' is not defined by the policy, so I have applied the ordinary meaning- an illness that relates to the pet's teeth. The condition Miss G was claiming for might well have been caused by the earlier dental treatment, but that doesn't mean that it's a dental illness. Rather it relates to the pet's chest which caused it to become very unwell generally. As such I can't say that it's fair for UKI to treat the condition as a dental illness at all.

I've seen submissions from UKI that both Miss G and her vet made the claim following on from the dental treatment and so their understanding was that it formed part of that claim. I don't think it matters how the claim was framed or what Miss G's or her vet's understanding was about the section of cover it fell in to. It was up to UKI to fairly assess the claim under the policy terms and determine the section of the policy it should be paid out under. What Miss G or her vet might have thought applied has no bearing on that. And for the reasons I've set out above I don't think UKI applied the policy terms fairly in this case.

Miss G has made some detailed submissions about the impact of having to bear her vet's fees herself. She says she paid for them on her credit card and that she's now in debt and having to pay interest as a result, each month. She's also talked about the stress and worry of how she will pay the debt off and whether she should go back to work, despite being retired. In addition, she's expressed worries about how she'll afford Christmas this year. I understand this would have been very concerning for Miss G particularly in her circumstances and given she has no working income currently. I've set out what I think UKI should do to put things right below, which I think adequately compensates Miss G for the distress and inconvenience caused.

Putting things right

UKI should pay:

- Miss G's claim in accordance with the £8,000 policy limit subject to any applicable policy excesses.
- Any credit card interest Miss G has incurred as a result of being unable to pay off the vet's fees by her statement date, from the date she incurred them, until the balance of the claim is paid. Miss G will need to supply UKI with evidence of the interest she has incurred in respect of this.
- If Miss G is unable to supply evidence of the credit card interest she's incurred, UKI should pay her interest at 8% per year simple in the alternative, from one month after Miss G made her claim, until the claim is paid.
- £150 to Miss G for the trouble and upset caused."

I asked both parties to provide me with any more comments and evidence in response to my

provisional findings. Miss G has accepted my provisional decision, but UKI did not. In summary they've said:

- That the most likely cause of the illness Miss G's pet was being treated for was the dental procedure one month before based on the medical history provided to them.
- Whilst Miss G's vet can't place a definitive cause on the condition, their vet has determined the most likely cause and that's the dental procedure.
- The policy terms say:
*"Please refer to What's not covered under the Vet fee section:
> If two or more claims are first believed to be separate conditions but are later recognised to be a recurring condition, bilateral condition, lump or related condition, we'll add up the amounts we've paid for all these claims and not make any more payments during the life of your pet once we've paid up to the limits described.
This is regardless of whether your vet agrees these have the same cause or are linked. Where the condition is a bilateral condition or lump, this will always be considered as one"*
- They consider the condition claimed for is related to the dental procedure and therefore the £1,000 limit applicable to dental cover was correctly applied.

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.

Having done so, I remain of the view that Miss G's complaint should be upheld for the same reasons set out within my provisional findings. I say so because there's nothing in UKI's response that persuades me that the policy terms should be applied in any other way than I've directed. I've explained why below.

UKI's position is that the condition being claimed for was caused by the earlier dental procedure Miss G's pet had a month before and which UKI paid out a claim on. I accepted in my provisional findings that the earlier procedure could well have been the cause of the condition being claimed for, but I didn't think this made a difference to how the claim should be considered because one was for dental illness and the other was for an entirely different condition, namely something that related to the pet's chest which caused it to become very unwell generally.

In response to my provisional findings UKI have said they're relying on a policy exclusion that essentially says if two or more claims are first believed to be separate conditions but are later recognised to be related conditions, they'll add up the amounts they've paid for all these claims and not make any more payments during the life of the pet once they've paid up to the limits described.

So, the question for me to determine is whether I consider the condition being claimed for to be related to the earlier dental procedure. As I've said, the dental procedure could have been the cause of the condition being claimed for but that doesn't necessarily mean we would consider the conditions to be related. There is no policy definition of 'related' so I've considered the dictionary meaning which is *"belonging to the same family, group, or type; connected"*. I've seen no persuasive evidence at all to suggest the conditions belong to the same family, group or type- one is a dental problem and the other is a chest condition. I've also applied our general approach to whether we would consider the conditions to be related in the absence of a policy definition. In order to reach the conclusion that the conditions were related, I would need to be satisfied that they had the same underlying cause. The cause of the dental procedure is not the same as the cause of the chest condition. UKI have made clear that they consider the cause of the chest condition to be the dental procedure itself and

the absence of antibiotics being administered during that process. They have not said that the dental condition requiring the dental procedure was the cause. And I've seen no evidence to support that. In light of that, I can't agree that the two conditions are connected and therefore I don't agree that the policy exclusion UKI have referred to applies here.

Because of that and for the reasons set out within my provisional findings, I uphold Miss G's complaint and direct UKI to put things right as I've set out below.

In response to my provisional findings Miss G said she did enquire about having the interest assessed on her credit card repayments by her credit card provider, but they said they couldn't do this for her. I don't think that's necessary in this case. If she provides a copy of her credit card statement to UKI from the date she paid the vet's fees until the date she's reimbursed, then UKI should be able to calculate the interest applicable to that amount and pay her accordingly if she wants them to.

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- £150 to Miss G for the trouble and upset caused.

My final decision

For the reasons set out above, I uphold Miss G's complaint against U K Insurance Limited trading as Direct Line, and direct them to put things right in the way I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 3 January 2024.

Lale Hussein-Venn
Ombudsman