

The complaint

Mr and Mrs S have complained that Royal & Sun Alliance Insurance Limited (RSA) unfairly declined a claim on their pet insurance policy.

What happened

On 23 April 2023 Mr and Mrs S took out a pet insurance policy through a price comparison website for their two cats. The policy start date was 2 May 2023. On 9 May one of the cats became ill with what turned out to be a blocked bladder and required veterinary treatment.

When Mr and Mrs S made a claim to RSA for the cost of the treatment, the claim was declined on the basis that claims for illness arising within the first 14 days weren't covered by their policy.

Mr and Mrs S didn't think this exclusion had been made sufficiently clear to them when they took out the policy. RSA said it had been transparent in making Mr and Mrs S aware of the 14-day exclusion for cover.

Mr and Mrs S brought a complaint to this service. Our Investigator didn't recommend that the complaint be upheld. He thought RSA had declined the claim fairly in line with the policy terms and had done enough to make Mr and Mrs S aware of this exclusion before they took out the policy.

As Mr and Mrs S 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.

Mr and Mrs S had been insured with another insurer but decided to look for alternative cover. They paid for the RSA policy on 23 April but agreed that the new policy would have a start date of 2 May 2023 when the previous policy came to an end.

There's no dispute in this case about what the policy's terms and conditions are. The policy document says:

"We don't pay for illnesses which **you** or **your vet** were aware of in the first 14 days of **your** policy first starting, or any illness that develops from them. By illness **we** mean both diagnosed illness and signs or symptoms of illness (undiagnosed illness)."

This is a very common exclusion. The policy started on 2 May 2023. Mr and Mrs S's cat became ill on 9 May which is within the first 14 days of the policy.

I need to decide whether RSA treated Mr and Mrs S fairly in strictly applying the policy terms to decline their claim. The answer to that depends on how much Mr and Mrs S might have been expected to know about the 14-day exclusion before they bought the policy.

I am sorry to disappoint Mr and Mrs S but I can't reasonably uphold this complaint. That's because I think RSA did enough to make them aware of the 14-day exclusion when they bought the policy. I'll explain why I have come to that conclusion.

I've seen screenshots of the online process Mr and Mrs S would have gone through when they bought the policy. When they completed a quote through the price comparison website, they were asked whether they wanted to cover any pre-existing conditions for their cats. A box next to this explained:

"A pre-existing condition is any illness, injury, symptom or sign of a condition that happened before your new policy begins. Illnesses or conditions that are noticed or diagnosed during the first 14 days of a new policy aren't generally covered".

Further in the sale process Mr and Mrs S were taken to the insurer's website. On there under the section 'What you need to know', they would have been provided with the Insurance Product Information Document, Essential Information and the Policy Booklet. Within these documents, it confirms the 14-day exclusion. All these documents were available for Mr and Mrs S to read before the policy was taken out.

On the insurer's website under the section 'The policy won't provide cover for your pets in the following situations' it mentions the 14-day exclusion and the customer must tick the acceptance box to proceed with the policy. In addition, the 14-day exclusion is mentioned in the policy schedule, Insurance Product Information Document which summarises the key features of the policy and the policy wording which was posted to Mr and Mrs S on 23rd April 2023. So I don't think that RSA hid the exclusion in the small print as Mr and Mrs S have suggested.

Taking all the above into consideration, it seems to me reasonable to assume that Mr and Mrs S should have been aware that RSA wouldn't cover any illnesses that arose within 14 days of the start date of the policy. That means I won't uphold their complaint that RSA treated them unfairly in applying the exclusion.

Lastly RSA applied a retrospective exclusion to the policy with respect to future illnesses of a similar nature for the cat which had been ill. Since that cat was deemed to have a pre-existing condition, I don't think it was unfair or unreasonable for RSA to have done so.

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 and Mrs S to accept or reject my decision before 12 September 2023.

Elizabeth Grant
Ombudsman