

## **The complaint**

Miss B is unhappy with the settlement she has been paid on a claim involving her dog and she thinks her pet insurance policy was mis-sold. She had a policy underwritten by HDI Global Specialty SE ("HDI"). Some correspondence related to the complaint was written by a representative, but for ease and simplicity, I'll only refer to Miss B.

## **What happened**

Miss B bought her policy via a comparison website. Unfortunately, Miss B had to make a claim when she required diagnostic testing and treatment for her dog. She provided receipts for all the costs she incurred.

HDI reviewed all the information Miss B provided. But HDI would only cover part of the costs from the claim. It said there were limits on the policy for certain types of claims, and it said it had paid a fair settlement in line with these limits and the terms and conditions of the policy.

Miss B feels she was mis-sold the policy as it was advertised as a "*Lifetime Gold*" standard of cover, which she said provided headline cover of up to £15,000. She's unhappy HDI have applied limits to her claim and thinks they've unfairly bundled in the cost of diagnostic tests for her dog's cruciate ligament injury. She said the policy set out a different limit for diagnostic tests. She wants her claim paid in full and compensation for the distress and inconvenience that has been caused.

Our investigator decided not to uphold the complaint. He didn't think HDI had mis-sold the policy and thought it had dealt fairly with Miss B's claim. He reviewed the policy and thought HDI had applied the terms and conditions, including the policy limits fairly. Miss B disagreed, so the case has been referred to an ombudsman.

## **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.

Before I start this decision – I want to clarify that Miss B has raised a separate complaint (about a declined claim). I won't discuss this complaint here as I don't have jurisdiction to do so – this will be dealt with separately once HDI has had the opportunity to provide a final response. I will only look at the claim relating to the dog's right sided limb and Miss B's feelings that she was mis-sold the policy.

The policy was purchased online via a comparison website, without any discussions with HDI or its agents. So, I can't say Miss B was misadvised. I've reviewed the documentation that was available to Miss B when she bought her policy. The key documents Miss B would've had access to were: the Insurance Product Information Document (IPID), the Policy Schedule and the Policy itself.

When making the application for the insurance product, I can see Miss B ticked a box to confirm she had read the Policy and the IPID. Therefore, I think it's fair for HDI to have

assumed Miss B was familiar with these documents. If she had any questions, she could've contacted HDI to ask these. I think the terms and conditions and policy limits that HDI applied are consistent with the key documents Miss B said she had read, so I don't think it's reasonable to say the policy was mis-sold.

I've considered the claim itself. Miss B's complaint is that a cost limit applies for her claim which is for her dog's cruciate injury treatment and diagnostic testing. HDI when assessing the claim bundled the diagnostic testing costs under the same limit as the cruciate injury treatment, so reducing the overall value of the potential settlement. Miss B said she's spoken to several experts who have said this is ridiculous and they've laughed at it. However, it really depends on Miss B's own circumstances and what the policy sets out is covered.

An insurer will cover several risks and scenarios when they say they will insure a pet, but most policies will include exclusions on circumstances the insurer isn't happy to provide cover or policy limits which reduces their exposure. In return for this, the insurer accepts a premium from the policyholder. If insurers offered limitless cover, the premiums would be much higher – so they try to offer reasonable cover at a pragmatic cost. It's essentially a commercial decision for the insurer and a prospective policyholder can shop around and buy a policy that suits them at a price that's affordable.

I've reviewed Miss B's policy to see what it states in respect to cover for cruciate injury treatment. The policy states the total limit for cruciate treatment as £2,000 and it continues *"if treatment of a claim involving a cruciate(s) includes a CT or MRI scan, those costs will contribute towards this overall benefit limit"*. Therefore, I think it's fair of HDI to bundle any costs relating to CT or MRI scans under the cruciate injury limit.

As the policy is clear on the limit for cruciate ligament treatment, I think it's fair that HDI has applied limit less the applicable excess payments that Miss B asked for when she purchased her policy.

Miss B has provided evidence that she had a consultation and X-ray for her dog. And she thinks these costs should be covered separately by the "Specialist Diagnostics" limit on the policy. Having checked the policy Specialist Diagnostics is defined tightly as MRI and CT scans. So, I don't think this part of the policy was intended to cover the costs Miss B incurred. I think HDI has been fair to include these costs within the cruciate ligament treatment limit as Miss B's vet diagnosed the issue as a ruptured cruciate ligament injury.

I know this will be disappointing to Miss B, but I don't uphold this complaint. I think HDI has acted fairly and applied the terms and conditions of the policy that Miss B chose. A policy isn't necessarily designed to cover all costs. Miss B's policy covers up to £15,000 per annum but has separate limits for each course of treatment. She could make multiple claims for various treatments up to £15,000, but she is only covered for up to £2,000 per annum for cruciate ligament treatment.

### **My final decision**

My final decision is that I don't uphold this complaint. I don't require HDI Global Specialty SE to do anymore.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 3 October 2023.

Pete Averill  
**Ombudsman**