

The complaint

Mr W complained his claim was unfairly declined by HDI Global Specialty SE (“HDI”) under his pet insurance policy.

What happened

When Mr W’s pet insurance was up for renewal with HDI, Mr W said he found “*exactly*” the same policy online for a lower price, so rather than accept the renewal he took out the cheaper priced policy.

During the next few days, Mr W’s pet developed a limp, so he had it checked out by a vet, and this was followed up with a CT scan. The vet said no action was required except for the pet to be given pain relief and a recommendation was made for a dietary supplement for the pet.

Mr W made a claim for the costs of the scan and diagnosis which amounted to just over £1,400. However, HDI decided to decline the claim, as it said the first signs or symptoms of illness were noticed within 14 days of the start of the policy, which wasn’t covered under the policy.

Our investigator decided not to uphold the complaint. He thought RSA had fairly declined the claim in line with the policy conditions. Mr W 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.

Mr W said he didn’t renew his policy as he was able to buy the same policy online for a lower price. This is important as HDI would be expected to offer policies to both new and old customers at the same price. So, I’ve checked the policy offered at renewal with that which Mr W bought online.

However, the policies are slightly different. When Mr W bought the policy online he selected a higher excess payment which had the impact of reducing his premium. There were also other differences, including the new policy didn’t cover pre-existing conditions, illnesses identified in the first 14 days of the policy been taken out or dental treatment in the first 12 months. Therefore, I don’t agree with Mr W, as I think it’s clear the policies were different and justified a different premium.

HDI have clarified its policies can’t be renewed online. So, I’m persuaded Mr W bought a new policy and didn’t renew his old policy which would’ve maintained his continuous lifetime cover for his pet. I appreciate Mr W may think this is unfair. But he didn’t choose to renew his old policy, he selected a new policy with different terms and conditions so that he benefitted from a lower premium. Therefore, any claim Mr W made would’ve been subject to the terms and conditions of the new policy.

HDI declined Mr W's claim as it said the terms and conditions stated "*any illness arising prior to or within the first 14 days of the inception date of the insurance*" isn't covered by the policy. Mr W made his claim only a few days after he took out the policy online. As this was within the 14 days period the policy sets out that illnesses aren't covered, then I think HDI has been reasonable in declining the claim. Therefore, I don't uphold this complaint.

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 Mr W to accept or reject my decision before 21 August 2023.

Pete Averill
Ombudsman