

The complaint

Mr F's complaint is about a claim he made on his Stonebridge International Insurance Ltd ('Stonebridge') pet insurance policy which was declined.

Mr F feels that Stonebridge treated him unfairly. He wants them to settle his claim. He has made submissions about the impact their decision to decline the claim has had on him.

What happened

In June 2023, Mr F took out a pet insurance policy with Stonebridge. In September 2023 he made claim on the policy for investigations and treatment for his pet arising out of symptoms of vomiting.

Stonebridge considered the claim and declined it. They said the pet had experienced at least three different episodes of vomiting for which he was seen by a vet before the policy started and that this suggested the condition being claimed for was pre-existing and therefore excluded by the insurance. Specifically Stonebridge referred to consultations for vomiting in December 2022, April 2023 and May 2023. In determining the condition was pre-existing, Stonebridge relied on the opinion of their veterinary nurse who said that given the number of occasions the pet had experienced these symptoms, it was most likely the condition being claimed for was pre-existing.

Mr F didn't agree. He said the occasions his pet was seen for vomiting were different to the condition it was eventually treated for. He also said the previous occasions of vomiting were resolved by different treatments to the one administered in the claim he was making. Mr F felt the term Stonebridge were relying on was too broadly drafted and amounted to an unfair contract term. In addition, he said that Stonebridge was in breach of the Consumer Duty.

Our investigator considered Mr F's complaint. In doing so she asked his vet for evidence about whether the previous episodes of vomiting were different to the condition currently being claimed for. Mr F's vet said:

"Unfortunately, on reviewing his notes I can see that (the pet) had several episodes of vomiting, presenting to the practice 3 times for this, prior the start of his insurance policy in June 2023. While investigation was discussed on 19th May 2023 these blood tests were not run until 15th August 2023. As such, I am unable to provide evidence that the episodes are unrelated, or any further information outside of what is contained within the clinical notes".

The investigator also asked Stonebridge about what information was presented to Mr F when the policy was sold to him and whether any exclusions would have been applied had Mr F been asked to supply his pet's clinical history. After receiving that information, the investigator didn't uphold Mr F's complaint. She concluded that the evidence didn't support that the previous episodes of vomiting were not linked to the current condition being claimed for and therefore it was fair for Stonebridge to decline Mr F's claim. In addition, she said that when he took out the policy, Mr F was prompted to agree to there being no cover for pre-existing conditions before he could proceed to taking it out. She also concluded that even if Mr F had been prompted to provide his pet's clinical history to Stonebridge beforehand,

Stonebridge would have simply applied an exclusion for pre-existing conditions in the same way they have declined the claim now, so this would have made no difference to Mr F's claim. Overall, she took the view that there were no failings in the Consumer Duty by Stonebridge.

Mr F does not agree. As such his complaint has been passed to me to determine. In doing so he has made the following three points:

- The exclusion Stonebridge are relying on is too widely drawn so as to render it unfair.
- His vet's evidence equally doesn't support that the previous episodes of vomiting were not unrelated, so it does not support Stonebridge's position.
- In August 2023 his vet discovered through tests that his pet had a vitamin B12 deficiency, and a subsequent biopsy and scan was carried out to determine whether there was a liver problem or intestinal or other obstructions. Whilst these conditions might have been a cause for vomiting, this was not identified as the cause for the tests themselves. As such Stonebridge should settle the whole bill or at least elements relating to the potential liver, B12 and intestinal problems that were being explored.

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 don't uphold Mr F's complaint. I'll explain why.

The starting point is the policy terms. They exclude:

"The cost of any treatment or claim for a pre-existing condition."

"Pre-existing condition: Any injury or illness that:

- a. Happened or first showed clinical signs,*
- b. Has been identified or investigated by a vet,*
- c. Has the same diagnosis or clinical signs as an injury, illness, or clinical sign your pet had,*
- d. Is caused by, relates to, or results from, an injury, illness, or clinical sign your pet had".*

So, in this case I need to determine whether Mr F's pet showed clinical signs of the condition he was eventually claiming for from Stonebridge. Given the number of episodes his pet presented with vomiting in the six months that predated the policy and the fact that vomiting was a symptom of the problems the pet was eventually diagnosed with and treated for, I'm satisfied that the pet was likely on balance to be showing clinical signs of this condition. This is supported both by the evidence of Stonebridge's veterinary nurse and Mr F's own vet who has said that the conditions being unrelated can't be ruled out. I appreciate Mr F's point that his vet doesn't support that the conditions are specifically linked, but in this case, given the frequency of the symptoms prior to the policy being in place and the advice of Stonebridge's veterinary nurse, I would be looking for evidence from his own vet to conclude that the clinical signs shown by the pet were unrelated. I say so because Mr F's case is that the earlier episodes of vomiting were unrelated. Unfortunately, this is not supported by his vet.

Turning now to the term itself; I appreciate that the exclusion is wide. But it also appears in virtually all pet insurance policies. And it's generally accepted by this Service that the application of the exclusion is fair as long as the evidence in the claim, on balance, supports that the condition being claimed for is pre-existing. That doesn't mean a condition had to be diagnosed before the policy was in place, but rather that the pet was showing clinical signs or symptoms of the illness or injury being claimed for. What that means for pet insurance claims more generally will depend on the facts of each case. It does not give insurers carte

blanche to decline all claims where vague symptoms might have happened before a policy is in place, particularly where that could, on balance, be interpreted as unrelated to the condition being claimed for. So, all in all I don't accept that the exclusion being relied upon here is unfair, is in breach of the Consumer duty. And for the reasons I've set out above, I don't think that Stonebridge interpreted the exclusion unfairly here.

Mr F has said that when he took out the policy, he didn't expect that this exclusion would render his insurance meaningless. The investigator has pointed out the declaration he was prompted to make when taking out cover in her view, so I won't repeat that here. And from what I've seen, the exclusion was noted in the statement of fact supplied to Mr F and within the policy terms themselves, as I would expect, given it's a key exclusion on cover. What I will add to that is that this exclusion doesn't render the policy meaningless. It simply limits cover for problems a pet might have had before the cover was in place. There aren't, as far as I'm aware, any pet insurance policies on the market that do provide cover for these sorts of situations, even when enhanced cover is available. The policy did still provides cover for conditions Mr F's pet might experience that it wasn't showing signs of symptoms of before cover was in place.

Mr F has said he wasn't asked to provide his pet's clinical history before cover was in place. I don't think this would have made any difference if he had. Stonebridge have said the only policy exclusion they would have applied if Mr F had supplied this, was in relation to pre-existing conditions and that's the approach they've applied here. I don't think this would have caused Mr F any particular detriment because it's most unlikely he would have been able to take out cover elsewhere that would have covered him for his claim given the pet's previous three episodes of vomiting and the weight of the evidence supports that they were more likely than not linked to the condition being claimed for.

For the reasons set out above, I take the view that Stonebridge were entitled to turn down Mr F's claim and did so fairly. As such I don't think they need to do anything else.

My final decision

I don't uphold Mr F's complaint against Stonebridge International Insurance Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 30 May 2024.

Lale Hussein-Venn
Ombudsman