

The complaint

Miss B and Mr W complain about Royal & Sun Alliance Insurance Limited trading as More Than's ("RSA") decision to decline a pet insurance claim.

Any reference to RSA includes the actions of its agent. Because Miss B has been leading on this complaint, I've referred to her throughout my decision.

What happened

The circumstances of this complaint are well known to both parties, so I've summarised events.

Miss B made a claim on her pet insurance policy - which is underwritten by RSA - when her dog ("P") required treatment for acute haemorrhagic diarrhoea syndrome (AHDS).

RSA declined the claim saying the AHDS was due to a complication from the general anaesthetic and/or medication (Metacam) given to P during a spay. It said "spaying" isn't covered by the policy, and so, it wouldn't cover the veterinary fees Miss B incurred in treating P's AHDS.

Miss B thought RSA's decision was unfair and so, she brought a complaint to this Service. She provided letters from the treating vet which in summary said:

- Whilst Metacam is a possible cause of P's AHDS, it can't be proven as a definitive diagnosis.
- Metacam did not have to be given post procedure. It is not a medication strictly necessary for a spay. The spay went well without complications.
- If the cause of the AHDS was Metacam, this should be considered separately. It is unfair to consider AHDS a female reproductive issue and therefore, not covered by the policy.

Miss B also provided comments from the lead vet at the veterinary hospital, who said:

- Whilst Metacam was included on the list of differential diagnoses in the clinical notes, it represents one of the possible causes.
- AHDS is treated in the veterinary hospital with immense frequency. It's impossible to prove or disprove that Metacam was the sole cause of the AHDS.

An Investigator considered things but didn't uphold it. He was more persuaded P's AHDS was a result of Metacam prescribed during the spay – and as this was linked to the spaying, it wasn't covered under the policy. Miss B disagreed and so, the complaint was passed to me for an Ombudsman's decision.

Having reviewed the complaint, I sent a provisional decision upholding Miss B's complaint as I was satisfied RSA could rely on the exclusion it had. I said:

"What I've provisionally 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. And I've kept in mind that the Insurance Conduct of Business (ICOBS) requires insurers to handle claims promptly, fairly, and to not unreasonably reject a claim. Having done so, I don't consider RSA's decision to decline the claim to be fair in the circumstances - I'll explain why.

Miss B has "premier" level of cover which means RSA will pay for vet fees / complementary treatment if P has an injury, illness, or disease up to £4,000 – the limit stated on her policy document.

Here, Miss B is claiming for costs to treat P's AHDS. Whilst the policy doesn't define "illness", it does define "condition" as "an identified illness, injury, or change in your pet's normal health state or behaviour."

As P was hospitalised in order to treat the AHDS – the condition identified by the vet – I'm satisfied there was an identifiable illness, or at the very least a change in P's normal health state. So, on its face, the claim Miss B sought to make is covered by the policy as her pet had an illness.

RSA has said the claim isn't covered however, because the policy doesn't cover "spaying". The relevant policy wording is as follows:

"We will not pay for: - [...]

6. Vaccinations, routine examinations, flea treatment, wormers, nail clipping, bath or de-matting, spaying or castration [...]"

As RSA is seeking to rely on the exclusion, the onus is on it to show it applies. It says as P's AHDS was most likely caused by medication given during the spay, the treatment for this was related to the spay. And as spaying isn't covered, it says it follows that the treatment for AHDS isn't either.

But I don't think RSA has applied the terms of the policy fairly. The policy simply says it doesn't cover "spaying". Here, Miss B isn't claiming for spaying – she's claiming for the treatment costs of P's acute diarrhoea – which is a condition. So, I'm not persuaded the treatment for the illness in question is caught by the exclusion. And so, I don't consider RSA to have shown the exclusion applies, and I'm satisfied Miss B's claim is covered by the policy terms.

I'm aware there has been commentary from both sides as to whether it was reasonable for RSA to conclude P's illness / change in health was caused by medication given during the spay – with our Investigator concluding it was. But as I'm satisfied the claim is covered – because the policy only excludes spaying (not illnesses or conditions which stem from it), I don't consider it necessary to comment on the most likely cause of P's AHDS.

So, as it stands, I intend to uphold this complaint and direct RSA to cover the treatment cost of P's AHDS. Because I'm satisfied RSA has unfairly declined Miss B's claim, this has not only caused her avoidable inconvenience - as she's spent time obtaining veterinary opinions to support her position - she's also had to deal with the financial strain paying the veterinary bills put on her – and so, I consider it reasonable to direct RSA to pay £150 compensation to

reflect this.

My provisional decision

My provisional decision is I intend to uphold this complaint and direct Royal & Sun Alliance Insurance Limited trading as More Than to:

- *Reimburse Miss B and Mr W the cost of treating P's AHDS (subject to proof of payment). Simple interest at 8% a year should be added to this from the date Miss B and Mr W paid the veterinary bill until the date it is refunded.*
- *Pay Miss B and Mr W £150 compensation."*

Miss B accepted my findings, but RSA didn't. In response it said it had relied on the incorrect policy and in turn exclusion. It said the correct exclusion - exclusion 9 – under "*What is not covered*", states:

"for treatment, tests or procedures that do not treat an illness or injury, or that are preventative or cosmetic, including spay and castration. We also do not pay for complications that result from any of the above."

It said the adverse reaction to Metacam was a complication resulting from the spay and so, wasn't covered.

I considered this new information and having done so, reached a different outcome. Both parties were informed I was more persuaded – based on the veterinary notes at the time P was seen – that Metacam was the most likely cause of P's AHDS.

I explained that in the absence of persuasive evidence to show it was another cause, I was satisfied Metacam, was the most likely cause. And that were it not for the spay, Metacam wouldn't have been given, and P wouldn't have had AHDS. And so, I considered it fair and reasonable for RSA to deem it a complication of the spay.

But I said RSA had mismanaged Miss B's expectations and by providing a final response letter which relied on an outdated policy exclusion, it had also caused avoidable inconvenience and distress.

Understandably, Miss B was upset by this change in outcome. She said she'd been told multiple times by the vet that Metacam was *not* a contributing factor. She said she felt let down and reiterated how it had been a very traumatic experience for her – which had been compounded by the loss of her previous dog to AHDS.

RSA didn't provide further comments for me to consider.

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'm not departing from my previous findings where I explained why I considered RSA's decision to decline the claim to be fair and reasonable in the circumstances.

I appreciate this outcome is very disappointing for Miss B – it's not one I've taken lightly - but I have to base my decision on the available evidence and simply put, I'm more persuaded

Metacam was the cause of P's AHDS and therefore, the cost of treating this is excluded owing to it being a complication of the spay.

Miss B said she hadn't been told Metacam was a contributing factor to P's AHDS. Whilst I don't know what was said between Miss B and the vet who saw P, the medical notes clearly refer to Metacam as being a "likely cause". I note on 14 July 2023 – the day after P was spayed – the veterinary notes say.

"Discussed with owner blood diarrhoea in dogs just spayed often is an adverse reaction to Metacam."

And two days later, Metacam is deemed "the most likely" cause, though I acknowledge other causes are put forward. The medical notes say:

"Discussed with owner vomiting and HE likely secondary to Metacam [...] discussed whilst most likely Metacam related, could also be viral/parasitic/bacterial."

Diagnosis; Open for HE – r/o Metacam reaction v GI parasites vs viral/bacterial vs Addison's."

And shortly after, on 18 July 2023, the vet's notes say:

"Recent GA/Metacam is suspicious but no way to confirm this. Could have also eaten something (dietary indiscretion) or picked up something infectious. Most of the time we do not find out the underlying cause."

Whilst I accept other causes are suggested – an argument highlighted by the veterinary practice's lead vet – I can't ignore that the treating vet deemed Metacam the "most likely" cause owing to it having been given in connection with the spay.

I also have to keep in mind RSA's vet's observation that the results of faecal tests - which would have tested for the other causes - came back negative - suggesting these were less likely to be the cause of the AHDS.

Ultimately, I have to make a decision based on what I consider the most likely cause to have been on the balance of probabilities. So, I accept there may be other possibilities but from the evidence I have, I'm persuaded Metacam was the most likely cause of P's AHDS. And as this medication wouldn't have been given but for the spay, I'm satisfied the adverse reaction to it was a complication of the spay. And it follows that I consider RSA's decision to decline the claim on this basis to be fair and reasonable in the circumstances.

I remain of the view that RSA's final response letter caused unnecessary confusion. Had it relied on the correct policy document, Miss B's expectations would have been better managed. So, whilst I consider its decision to decline the claim to be both in line with the policy terms and fair and reasonable in the circumstances, how it explained its decision to repudiate the claim was poor – and it needs to pay Miss B £150 to recognise the impact this had.

My final decision

My final decision is I uphold this complaint and direct Royal & Sun Alliance Insurance Limited trading as More Than to pay Miss B and Mr W £150 compensation.

RSA must pay the compensation within 28 days of the date on which we tell it Miss B and Mr W accepts my final decision. If it pays later than this, it must also pay interest on the

compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B and Mr W to accept or reject my decision before 11 April 2024.

Nicola Beakhust
Ombudsman