



Case study: Insurance

DELAYS WITH PET INSURANCE CLAIM CAUSES COMPLAINANT DISTRESS

Themes: pet insurance claim; vet costs; miss-sold policy.

This complaint relates to the delays a complainant suffered when pet insurance claims were inappropriately processed.

In October 2023 Mrs J made a pet insurance claim when her horse suffered an accident. Mrs J's insurer reimbursed approximately £500 for this initial claim. Subsequently, Mrs J incurred further vet costs totalling approximately £1,000 and submitted additional claims. Mrs J wanted to explore some further treatment options for her horse's injuries but wanted to wait for the insurer to cover the additional insurance claims she had submitted before doing so. After receiving no response, Mrs J made a complaint for the delays she had incurred when receiving reimbursement for the initial claim and requested reimbursement for the additional vet costs which she believed were covered under her insurance policy. Mrs J also complained about the way the policy had been promoted and sold to her, in particular, the inadequate explanation as to the limitations of the insurance policy. Mrs J's insurer rejected her complaint, and she referred it to CIFO.

Before CIFO fully investigated Mrs J's complaint, Mrs J received reimbursement for some of the additional insurance claims. After fully investigating Mrs J's complaint, CIFO noted that Mrs J's insurer had acknowledged causing errors and delays in processing Mrs J's insurance claims, and that some were still outstanding. CIFO also noted that Mrs J had been sold the pet insurance through a UK promoter, and therefore any complaint regarding how the policy was sold or promoted to Mrs J would need to be made to that UK promoter, not the pet insurance company based in the Channel Islands.

CIFO concluded that Mrs J's insurer should have reimbursed Mrs J for the insurance claims in a timely manner. Therefore, CIFO upheld the complaint and recommended Mrs J's insurer reimburse Mrs J approximately £1,300 for the outstanding claims along with 8% of each claim total. This to be calculated from the date CIFO believed was reasonable for the insurer to have settled the claim to the date which Mrs J received the total for each claim from her insurer.

Furthermore, CIFO recommended Mrs J's insurer compensate Mrs J approximately £300 for the distress and inconvenience caused in delaying reimbursement at such a difficult time and recommended Mrs J's insurer should cover, to the extent provided by the policy, any future treatment costs that arise from the horse's injuries caused by the accident. CIFO also advised Mrs J that she could contact the UK Financial Ombudsman Service if she wished to submit a complaint regarding the UK promoter who initially sold Mrs J the pet insurance.