

## The complaint

Ms A complains that Wakam has unfairly declined claims made on her pet insurance policy.

Any reference to Wakam includes the actions of its agents.

## What happened

The circumstances of this complaint are well known to both parties. And as the Investigator has explained what's happened, I won't repeat events here. Rather, I'll focus on the reasons for my decision.

## 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.

I've also kept in mind the relevant industry rules and guidance which say insurers must deal with claims promptly, fairly, and support consumers to make a claim. And they shouldn't unreasonably decline a claim. Having done so, I'm upholding this complaint – I'll explain why.

Wakam has said it won't cover treatment Ms A's dog - "L" - received for her ears between November 2023 and January 2024. It said the condition was pre-existing because L had been seen for otitis externa in March and April 2020, which was before the policy started in May 2020.

It referred to the policy definition for pre-existing medical conditions, which says:

*"We define a pre-existing condition as anything your pet had treatment, medication, or advice for during the 24 months before the policy starts. Once pets are treatment, medication, or advice free for 24 months, new claims for the condition will no longer be classed as pre-existing."*

I'm aware Wakam has previously covered claims for otitis but has said these were paid in error. Whether Wakam paid these claims in error or not doesn't need to be decided as it has said it won't ask Ms A to return the costs it incurred. And I'm satisfied that's a fair and reasonable approach in the circumstances.

But it considers the claims - which are the subject of *this* complaint - to be excluded, saying L was seen and treated for otitis before the policy started. And so, I need to determine if its decision to decline the claims is fair and reasonable.

The medical history shows L was seen for otitis before the policy started. But for Wakam to fairly rely on the pre-existing medical condition exclusion, it needs to demonstrate the underlying condition for the treatment in March 2020 is the same as that now claimed for. So, I've looked at the evidence to see if it's shown this.

In May 2024, L's vet told Wakam:

*“L presented with unilateral Canine Otitis Externa (OE) on 24/3/2020. On this date L was 12 weeks and 2 days old. On a literature review it was noted that 87.5% of dogs between the ages of 3 months and 1 year that presented with OE were caused by a parasitic cause. [...]*

*As L was presented at under 3 months old with an ear infection, it is my opinion that neither was caused by pyoderma or atopy and therefore, it is my opinion that this is not related to her current condition of Canine Atopic Dermatitis (Atopy).”*

So, L’s vet considers the most likely cause of L’s otitis in March and April 2020 to be parasitic and is not connected to the current condition.

I’ve also looked at the comments from Wakam’s veterinary nurse – which says:

*“I think we should explain that we have made an error previously, explain that the ears are a pre-existing condition and cannot be paid under the policy.”*

The onus is on Wakam to show the underlying cause is the same, but notably, Wakam’s expert hasn’t explained *why* the treatment under the current claims *is* connected to the treatment L received *before* the policy was taken out. In the absence of persuasive evidence, I’m not satisfied Wakam has shown it can fairly rely on the pre-existing medical condition exclusion to decline these claims. And so, it should cover them.

I want to make it clear that I’m not directing Wakam to cover all future claims regarding L’s ears. I’m only directing it to cover the treatment which is the subject matter of these claims and complaint. If Wakam wants to decline future claims – and rely on the same exclusion - it’ll need to demonstrate it’s the same underlying condition as in March 2020.

### *Communication*

Ms A says Wakam told her it would take full responsibility for covering *all* claims for L’s ears because it erred in approving the previous claims – when it now says it shouldn’t have. But I haven’t seen any evidence to persuade me it told Ms A this. So, I can’t agree Wakam has mismanaged her expectations in this respect.

Ms A has said she wasn’t told at the earliest opportunity the claim wasn’t covered and so, she submitted further claims. It’s not clear if Ms A’s reference to “further claims” is in relation to the treatment in January 2024 (which forms part of this claim and complaint), or treatment after this date. For the purposes of this decision, I’m only considering the claims for treatment between November 2023 and January 2024.

I haven’t been provided with evidence which persuades me Wakam knew in November 2023 the claim wasn’t covered and chose not to tell Ms A. The claim notes show it didn’t make a decision on the claim until March 2023. And I’ve seen Ms A was emailed the outcome around this time. And that she had a call with Wakam about it on the same day.

However, things could have progressed more promptly once L’s veterinary evidence had been provided to challenge Wakam’s decision. Where further evidence is provided it’s expected that the life of the claim will extend, but I’ve seen that both L’s vet and Ms A had to chase matters. So, I’m not persuaded Wakam progressed the claim as quickly as it could have done.

This, coupled with Wakam unfairly declining the claim – and the stress this caused Ms A owing to an outstanding veterinary bill – satisfies me compensation is warranted. And I agree with our Investigator that £100 compensation is fair and reasonable in the

circumstances.

### **My final decision**

My final decision is I uphold this complaint and direct Wakam to:

- Cover the claims for the treatment between November 2023 and January 2024.
- If Ms A has paid the treatment costs already, Wakam must reimburse her these costs and pay 8% simple interest per year from the date she made the payment to the date it reimburses her.
- Pay £100 compensation. Wakam must pay the compensation within 28 days of the date on which we tell it Ms A 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 Ms A to accept or reject my decision before 24 April 2025.

Nicola Beakhust  
**Ombudsman**