

The complaint

Mr T complains Wakam has unfairly declined a claim on a pet insurance policy for treatment his dog, "M", received.

Mr T is represented by Miss M and M is registered under her name at the veterinary practice. While I may refer to her in the decision below, Mr T is the policyholder and the eligible complainant in respect of the complaint to the Financial Ombudsman Service.

What happened

Miss M registered M with a veterinary practice on 11 July 2023, the policy with Wakam was taken out on 13 July 2023 and, M visited the vet for the first time on 19 July 2023 for a new puppy check up. In that check up it was noted that M seemed fine, no signs of any abnormalities. It was noted that M was reported to regurgitate food after eating but it was said this could be down to her eating too rapidly (something the breeder had mentioned to Mr T) and, possibly due to the food being cold. No treatment was recommended.

On 21 July 2023 Miss M took M to the vet as she had vomited, her breathing was poor, and she was lethargic. The vet treated M for suspected aspiration pneumonia, and she later was reported to have recovered from this. The vet said the underlying cause of the regurgitation needed to be investigated. The notes at that time proposed several different conditions could be the cause including "(hopefully not persistent R aortic arch)". M went on to have x-rays and the vet recommended M be referred for further investigations. The notes say at that time abnormalities are noted in the heart and again different potential conditions were noted such as a mass, a defect in the aortic branch and ascites (fluid build up).

Miss M registered M with a different veterinary practice to get a second opinion. On 31 July 2023 the notes record M as visiting for her second vaccination, that she'd been switched to raw food and was no longer regurgitating, her heart and lungs were clear, and she had gained weight. The vet did however record that M's oesophagus appeared narrow and suggested Persistent right aortic arch ("PRAA") as a diagnosis.

M had further investigative procedures in August 2023 however the results were inconclusive if PRAA was the cause. M was referred on for additional tests which took place in October 2023. And a later referral was made to a specialist vet in November 2023.

The specialist vet diagnosed M with having a mild PRAA in December 2023, it explained this is a congenital defect which, depending on severity, constricts the oesophagus and/or trachea at the heart base. Secondary to that, compression of the oesophagus can cause regurgitation and, aspiration pneumonia can be a complication in affected animals.

The vet outlined the ideal treatment was surgery but also suggested that if surgery was not chosen, M would need to be fed from height for the rest of her life. Miss M was to return in January 2024 to discuss how she wished to proceed.

At this point, Miss M said she phoned Wakam to see if the costs of the surgery would be authorised. She said she was told Wakam don't preauthorise costs but as the previous two

investigatory procedures had been covered, it was likely the surgery would be too. On the strength of this reassurance, Miss M went ahead with the surgery and later submitted a claim on Mr T's behalf for the cost of it.

Wakam considered the claim but declined it, it said the previous costs had been authorised in error and shouldn't have been paid. It explained the policy did not cover costs of treating (including diagnosing) any condition for which signs and symptoms were present in the first 14 days of the policy. As M was seen within those 14 days presenting with a symptom that was later diagnosed as PRAA, the claim wouldn't be covered by the policy.

Miss M was unhappy about this as she wasn't aware anything was wrong with M until she received the diagnosis. She said all puppies can regurgitate food and they were told by the breeder that M often ate rapidly as she was competing for food with her littermates.

Miss M complained on behalf of Mr T to Wakam, but it didn't change its position. In referring the complaint to this Service Miss M said they'd had to take out a credit card to pay for the treatment costs otherwise they would have been passed to debt collectors. She said had she been told the surgery wasn't covered they wouldn't have gone ahead with it as they couldn't afford it. M had responded well to changes in feeding routine and food, and they would have continued as they had been, in light of what the specialist had said.

The Investigator initially upheld the complaint as Wakam had not provided its file on the complaint. Once it had done so, he further confirmed that he didn't think Wakam had explained what sign or symptom had presented itself within the first 14 days of the policy and therefore he still didn't think it had shown the claim had been fairly declined.

Wakam asked for an Ombudsman to review the complaint, so it has been passed to me to decide.

My provisional findings

I issued my provisional findings on 30 May 2025. I said I intended to uphold the complaint for the following reasons:

"The relevant policy term that Wakam has relied upon says the following under the title "What we are not able to cover":

"We're not able to pay claims for any vet's fee incurred due to illness within the first 14 days of the policy".

The policy goes on to define illness as;

"When we say "illness" we mean any disease, sickness, signs or symptoms or infection suffered by your pet"

Having considered M's veterinary history and, the later diagnosis and explanation of the condition given by the specialist vet, I am satisfied that M displayed signs or symptoms of PRAA in the first 14 days of the policy. This is because she was treated for suspected aspiration pneumonia and had a reported history of frequent regurgitation after eating. Both of which the specialist vet explained were secondary implications of PRAA. So I am satisfied that the claim should have been declined when it was initially registered for the investigatory treatments.

However, given Wakam did pay for those treatments, I must therefore consider whether it prejudiced Mr T's later position and led him to incur costs he otherwise wouldn't have done.

Looking at the claim notes, it does appear the initial claim handler made an error and did not pick up on the fact the symptoms were reported within 14 days of the policy starting. However, they later refer to underwriters having approved the claim costs in October. So it appears there may have been some discussion around whether the claim should be accepted, and it was decided it should be.

Miss M said she later called to ask if the costs of the surgery would be covered. I haven't been provided with a copy of this call recording but what she has reported to have been told doesn't seem unreasonable. Miss M reports she was told Wakam don't preauthorise costs, this is usual for most pet insurers, so it appears she was given the correct information here.

However, she then reports she was told, after the agent had accessed the file, that as the two investigatory treatments had been covered under the policy, there shouldn't be a problem with the surgery cost being covered. This on the face of it also doesn't seem to be an unreasonable position as it normally would have been the case, but for the potential error in Wakam authorising those costs initially.

Miss M has explained on the strength of that reassurance; they went ahead with M's surgery. I can see from the notes this doesn't appear to have been a rushed decision. The initial report was produced mid December 2023, a follow up happened at the start of January and the surgery took place towards the end of January.

I'm persuaded by Miss M's testimony that had they thought the cost of the surgery wouldn't be covered they would not have gone ahead with it. She has said it was a significant amount of money, in the region of £9,000 which they could not afford. Which is supported by her actions to attempt to preauthorise the costs of the Surgery prior to agreeing to it.

There is commentary from the specialist vet at the time which suggests nonsurgical management of the condition was an option and later that vet has confirmed that the condition was mild in comparison to the compression of the oesophagus that is normally seen. So, Miss M's testimony that they would have continued to feed M as they had been, as she was responding well, is also persuasive.

Overall, I recognise the claim wouldn't have been covered according to the terms and conditions of the policy and that Wakam made an error in accepting a claim for the investigatory procedures. However, I do think Wakam's error here prejudiced Mr T's position to the extent he took an action I'm persuaded that he otherwise wouldn't have done. As such I think they need to reimburse the cost of the surgery to him. As he paid this on a credit card, his financial loss would also extend to the interest that he has incurred on that card. If that amount can't be determined easily then as an alternative Wakam should pay 8% interest per year from the date the surgery costs were paid for, to the date Wakam made payment.

I think compensation is also due to Mr T as I recognise that it would have been a shock to him to be told the cost of the surgery would not be covered. And he then had to find a way to pay that debt to the specialist vet. I think Wakam should pay him £150 compensation to reflect this".

Responses to my provisional findings

Mr T accepted my provisional findings.

Wakam did not respond within the timeframe provided.

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, and in light of the fact there has been no additional comments or evidence provided for me to consider, I see no reason to depart from my provisional findings.

So, for the same reasons as set out in my provisional findings above, I think Mr T's complaint against Wakam should be upheld. I think its actions prejudiced Mr T's position to such an extent that he took action he otherwise wouldn't have done. Wakam should now reimburse him the costs he incurred with interest. And, in recognition of the impact it had on him, Wakam should pay Mr T £150 compensation.

Putting things right

Wakam should do the following:

- Reimburse Mr T the costs he has incurred for M's treatment and surgery. If Mr T can easily evidence the interest he has been charged on this amount on his credit card, Wakam should also reimburse this amount to Mr T. If he isn't, then Wakam should pay interest at 8% simple per year from the date Mr T paid the bills to the date Wakam make payment to him.
- Pay Mr T £150 compensation.

My final decision

My final decision is that I uphold Mr T's complaint against Wakam. I direct it to put things right as I have set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 14 July 2025.

Alison Gore
Ombudsman