

## **The complaint**

Mr H and Mrs P are unhappy with BUPA Insurance Limited's decision to decline their private medical claim.

## **What happened**

Mr H and Mrs P claimed on their private medical policy for costs related to the treatment and care for their son, who upon birth, required specialist care at the neonatal intensive care unit (NICU). Their son was born prematurely at 30-weeks gestation as Mrs P suffered with complications due to pre-eclampsia. Mrs P underwent a caesarean section as an in-patient to deliver their son, for which BUPA covered those costs under the private medical policy as it was deemed medically necessary.

Mr H and Mrs P would like BUPA to pay their claim for the associated NICU costs, which they said were around £270,000.

BUPA said that because their son was admitted to NICU from birth, there's no cover available under the policy for these costs.

Our investigator agreed with BUPA. She said that because their son only became insured at birth, she was satisfied he was taken directly to NICU, for which there's an exclusion within the policy terms that applies in this case.

Mr H and Mrs P disagreed with her opinion and asked for an ombudsman to review their complaint. In summary, they said their son was effectively admitted to the hospital as an in-patient as part of the caesarean section procedure. And that after his birth, spent a few minutes with them before being taken to NICU for treatment. They argue this sequence of events means that the exclusion doesn't apply in these particular circumstances. And so, it's now for me to make a final 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.

Having done so, I too have decided not to uphold it. My reasons for doing so are the same as those already explained by our investigator. I was sorry to hear of the difficulties Mr H, Mrs P and their son experienced, but I'm satisfied the exclusion still applies in these circumstances and that BUPA has applied it fairly. I'll explain why.

In reaching my final decision, I've also considered BUPA's obligations under the insurance code of business sourcebook (ICOBS) which say BUPA must assess claims promptly and fairly and must not avoid claims brought to it. I've also carefully considered the relevant policy terms which say;

*"Intensive care isn't covered if:*

- *you go straight into a critical care unit when you're admitted to hospital for example following: – an NHS transfer to a recognised facility – an out-patient consultation – a GP referral – return to the UK (repatriation) – transferring from one private facility to another*
- *it follows a transfer from a private recognised facility to an NHS hospital*
- *it follows a transfer from an NHS critical care unit to a private one, or*
- *it's not carried out in a critical care unit."*

I think BUPA applied this exclusion fairly because I'm satisfied Mr H and Mrs P's son went straight to NICU from birth. I say that because in their testimony, Mr H explained they were able to see their son for a few minutes, just before he was taken to NICU. And so, I think the exclusion has been relied upon fairly by BUPA.

I take on board Mr H and Mrs P's comments about the caesarean section being completed as in-patient treatment, however, I should highlight that procedure was considered treatment for Mrs P and her pre-eclampsia, rather than for their son. BUPA explained childbirth isn't usually covered under the policy, however, Mrs P's circumstances were unique. This, therefore qualified the caesarean section as eligible treatment under the policy terms.

However, it's important to note that their son wasn't enrolled on to the policy's cover until he had been born. And so, whilst Mrs P was admitted as an in-patient, their son wasn't and upon his birth (and activation of his cover) he was taken to NICU. I'm satisfied that means he went straight to critical care, rather than being admitted as an in-patient first – like Mr H and Mrs P have argued.

I understand the connection Mr H and Mrs P have made about their son being born at 30-weeks and the likelihood that he'd need NICU support. But that doesn't change my position on their complaint because this is the type of circumstance that BUPA's exclusion aims to cover. And so, whilst this is likely to disappoint Mr H and Mrs P, BUPA's position is that it's chosen to exclude claims that arise from these circumstances and its terms are clear about that.

### **My final decision**

I don't uphold this complaint for the reasons I've explained.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Mrs P to accept or reject my decision before 4 April 2025.

Scott Slade  
**Ombudsman**