

The complaint

Ms C has complained that Vitality Health Limited declined a claim she made on a private medical insurance policy.

What happened

In January 2024 Ms C underwent an emergency caesarean following complications in delivering her baby. She therefore made a claim on the policy.

Vitality declined the claim on the basis that the circumstances are not covered under the policy terms.

Our investigator thought that Vitality had acted fairly and reasonably in declining the claim, in line with the policy terms and conditions. Ms C disagrees and so the complaint has been passed to me for a 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 carefully considered the obligations placed on Vitality by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for Vitality to handle claims promptly and fairly, and to not unreasonably decline a claim.

Insurance policies aren't designed to cover every eventuality or situation. An insurer will decide what risks it's willing to cover and set these out in the terms and conditions of the policy document. The test then is whether the claim falls under one of the agreed areas of cover within the policy.

Looking at the policy terms, under the 'table of benefits', they state:

'Childbirth by caesarean section (please check your membership certificate to see if you have this benefit)

Hospital fees and the charges of a surgeon or anaesthetist for a caesarean section carried out as an in-patient or day-patient at a hospital eligible on your plan, in specified circumstances

Please refer to the 'Your benefits explained' section, under "Childbirth by caesarean section" on page 14'

and:

'Your benefits explained

Childbirth by caesarean section

You only have this benefit if it is indicated on your membership certificate. Benefit is available for a caesarean section carried out due to one of the following conditions or circumstances:

- *breech presentation*
- *multiple births (e.g. twins)*
- *risk of mother to child transmission of infection*
- *morbidly adherent placenta*
- *maternal ill-health which your obstetrician confirms may be worsened by a normal delivery*
- *previous stillbirth or late miscarriage*
- *history of three or more consecutive miscarriages.*

You may also claim the NHS Hospital Cash Benefit for any caesarean section undertaken as a non-paying NHS patient, subject to the limits that apply to that benefit.'

Childbirth by caesarean section was included in Ms C's policy. So, that benefit was available to her, but only in the circumstances set out in the above policy wording.

Given the scenarios listed, it's apparent that, for the most part, the intention of the policy is to provide cover for a planned caesarean, where it has been deemed medically necessary due to a previous history of complications or the presence of a health condition that is likely to lead to complications.

Ms C has argued that her circumstances meet the criteria of '*maternal ill-health which your obstetrician confirms may be worsened by a normal delivery*'. I take her point that there is nothing in the policy stating that 'maternal ill-health' must be a pre-existing condition and is therefore something that could manifest during labour.

She had mild pre-eclampsia. This had been diagnosed during the pregnancy and due to a combination of that, and her age, a decision had been made to induce labour. However, she went into spontaneous labour prior to the planned delivery date.

The only way to cure pre-eclampsia is to deliver the baby, but not necessarily by caesarean. As the original plan had been to induce labour, I'm not persuaded the presence of pre-eclampsia was a significant factor in the emergency caesarean being necessary.

The obstetrician recorded that there were indications of an obstructed labour, therefore there was no alternative other than to perform an emergency caesarean section.

The health of mother and child are obviously closely interlinked. However, the primary reasons for the emergency caesarean were obstructed labour and foetal distress. Those things are a complication of labour, with attention on the outcome for the baby, rather than being 'maternal ill-health'.

I appreciate that Ms C thinks Vitality has made too narrow an interpretation of the policy terms. However, I consider its assessment of the term to be reasonable.

I have a great deal of sympathy for Ms C's situation. The caesarean was medically necessary and unavoidable. But the matter at hand is whether the circumstances are covered under the policy terms – and I'm afraid to say that they are not.

On balance, I'm satisfied that Vitality has acted reasonably in declining the claim, in line with the policy terms and conditions.

My final decision

For the reasons set out above, I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 10 April 2025.

Carole Clark
Ombudsman