
OPINION OF TRUSTEES

In Re

Complainant: Employee
Respondent: Employer
ROD Case No: 28 - October 17, 1979

Board of Trustees: Harrison Combs, Chairman; John J. O'Connell, Trustee;
Paul R. Dean, Trustee.

Pursuant to Article IX of the United Mine Workers of America 1950 Benefit Plan and Trust, and under the authority of an exemption granted by the United States Department of Labor, the Trustees have reviewed the facts and circumstances of this dispute about the payment mechanism for health benefits provided to an Employee by an Employer and hereby render their opinion on the matter.

Background Facts

Complainant (Board Member) represents active miners who are covered under Employer's Health Plan. Medical coverage as provided by Employer's Health Plan is not being accepted by local providers, thereby requiring miners to pay full provider's fees, rather than the applicable copayment for physician services.

Question or Dispute

Employee has requested that the Employer be directed to alter its Health Plan in such a way as to ensure the acceptance of Employer's Health Plan by local providers as the responsible payor, but for the applicable copayments, for physician services. The Employer has responded that it is not the responsibility of the Employer to bind third parties (i.e., providers) to an agreement between the Settlers of the National Bituminous Coal Wage Agreement of 1978.

Position of Parties

Claimant's Position: Employer's Health Benefits Plan is not in compliance with the provisions of the National Bituminous Coal Wage Agreement of 1978 in that Employees are being required to make payments in full for physician services, rather than the applicable copayment. This is due to the fact that local providers are refusing to accept the Employer's Health Plan coverage. Employer is responsible for providing to Employee a Health Benefit Plan which is acceptable to local physicians.

Employer's Position: An Employee can pay only the \$7.50 copayment charge to a physician rendering a medical procedure which is covered under the Employer's Plan. In those cases where providers have selected not to cooperate with the intent of the Plan provisions, it is not the

responsibility of the Employer to bind providers to an agreement between the Settlers of the National Bituminous Coal Wage Agreement of 1978.

Applicable Regulations

Article XX, (10)(g) provides as follows:

"Benefits for office visits to physicians, house calls by physicians, in hospital medical care, visits to a clinic or the out-patient department of a hospital will be subject to a \$7.50 per visit copayment in the case of working miners and their dependents up to an annual maximum of \$150 per family.

Explanatory Note on Employer Provided Health Plans of National Bituminous Coal Wage Agreement, Article XX (10) provides as follows:

"All benefits will be at the level of benefits provided by the 1974 Benefit Plan prior to July 1, 1977 except for the following copayments by the patient:

Working Miners

Prescription Drugs	\$5.00 per prescription
Physician Charges	\$7.50 per visit

". . . in some instances, when the Employee pays for services or drugs, the bills should be obtained and submitted with the claim form according to the instructions on the form. If, the annual copayment maximum has been reached, the carrier will remit to the Participant the full payment for covered benefits."

Article III, Section A(8) of the Employer's Benefit Plan described copayment benefits. Nowhere in this provision is there an indication that the Plan Administrator is responsible for assuring acceptance by providers of the Employer's Health Plan.

Discussion

Nothing in the National Bituminous Coal Wage Agreement of 1978 or in the provisions of the Employer's health plan obligates the company or its designated carriers to assure acceptance of coverage by health care providers. The fact that providers in some areas choose not to honor the company plan for payment of covered services does not prevent the covered employee or his/her eligible dependents from obtaining the contractually bargained benefits.

The copayment provision speaks only to the family's annual copayment obligation and not to mechanisms of payment. There is no stated prohibition against the beneficiary incurring the liability and then seeking reimbursement for all covered costs.

Opinion of the Trustees

The Trustees are of the opinion that the Employer has no obligation to assure that health care providers accept the Employer's health plan as the responsible payor, but for the applicable copayments.