

August 27, 1985

(Opinion issued in letter form; name and address deleted)

Re: Resolution of Dispute
Case No. 84-042

Pursuant to Article IX of the United Mine Workers of America ("UMWA") 1950 Benefit Plan and Trust, and under the authority of an exemption granted by the United States Department of Labor, the Trustees have reviewed a question regarding the procedure for prescription reimbursement under the Employer Benefit Plan.

The Complainants maintain that the Respondent requires them to complete two separate forms when claiming benefits for prescription drugs under the Plan. This dispute arises from their belief that this procedure is unreasonable and causes undue hardship.

The Respondent states that, since March 27, 1978, it has had a policy of requiring beneficiaries to complete a single form necessary to the proper administration of its Plan. The Respondent states that if pharmacies have been requiring beneficiaries to complete another form at the time of prescription purchase, such a policy is beyond its control.

Article III A(12)(b) of the Employer Benefit Plan, states that "the Plan Administrator is authorized to implement and administer the Plan, and such rules and regulations shall be binding upon all persons dealing with beneficiaries claiming benefits under this Plan." Article XX (10) of the 1984 Coal Wage Agreement states that "Claims forms will be available at most hospitals, clinics and physician offices. Generally, nothing more is required than signing the forms authorizing the hospital, clinic, or physician to bill the insurance carrier for the services rendered.... In some instances, when the Employee pays for services or drugs, the bill should be obtained and submitted with the claim form according to the instructions on the form."

The Trustees conclude that the Respondent may require beneficiaries and providers to supply information reasonably necessary to the administration of its Plan. In this instance, the Employer is not requiring beneficiaries to submit more than one form, nor is it requiring beneficiaries to supply billing or medical information appropriately supplied by providers of care. The insurance carrier's claim form clearly provides that bills for prescription drugs may simply be attached to that claim form and submitted, with no other form being required. Based on the facts presented, the Trustees conclude that the Employer's procedures are consistent with the Plan requirements.

Sincerely,

Joseph P. Connors, Sr., Chairman

Paul R. Dean, Trustee

William B. Jordan, Trustee

William Miller, Trustee

Donald E. Pierce, Jr., Trustee