
OPINION OF TRUSTEES

In Re

Complainant: Employee
Respondent: Employer
ROD Case No: 84-248 - September 29, 1987

Board of Trustees: Joseph P. Connors, Sr., Chairman; Paul R. Dean, Trustee; William B. Jordan, Trustee; William Miller, Trustee; Donald E. Pierce, Jr., Trustee.

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 the facts and circumstances of this dispute concerning the provision of benefits for travel expenses under the Employer Benefit Plan.

Background Facts

The Employee, a resident of Bramwell, West Virginia, underwent coronary bypass surgery at Duke University Medical Center (Duke) in January of 1986. The Employee's family physician, whose practice is located in Bluefield, West Virginia, had initially referred the Employee to a cardiologist at Duke in July of 1982. The cardiologist evaluated and treated the Employee at this time and saw him afterwards on a follow-up basis. According to the Employee, prior to the hospitalization in question, he was unaware that travel expenses were reimbursable, thus he had not previously requested prior approval for transportation. When the Employee's medical condition deteriorated in the fall of 1985, the Employee was again referred to the cardiologist at Duke, whereupon surgery was recommended. The Employee states that he made a telephone call to the Employer's insurance carrier prior to surgery to ascertain if transportation expenses to Duke University would be covered. According to the Employee, he was advised to proceed with the surgery and then to submit a letter from the cardiologist stating why the surgery was necessary, to provide documentation of mileage and expenses, and to provide verification that Duke was over 100 miles from his home. According to the Employee's spouse, she telephoned the Employer's insurance carrier after the surgery was performed and received the same instructions concerning documentation to be provided. When the documentation was submitted, the Employer's insurance carrier denied payment of benefits for the transportation expenses because the surgery was not performed in the facility that was closest to the Employee's residence.

Dispute

Is the Employer responsible for providing payment for travel expenses related to the Employee's surgery?

Positions of the Parties

Position of the Employee: The Employee contends that prior approval was sought, that he complied with the instructions he received from the Employer's insurance carrier, and that undergoing the surgery at Duke University -- and not at a medical facility closer to his residence -- was necessary.

Position of the Employer: The Employer maintains that out-of-area transportation expenses are not covered because prior approval was not obtained and the surgery could have been performed comparably at a medical facility closer to the Employee's residence.

Pertinent Provisions

Article III. A. (7) (e) of the Employer Benefit Plan states:

(e) Ambulance and Other Transportation

Benefits are provided for ambulance transportation to or from hospital, clinic, medical center, physician's office, or skilled nursing care facility, when considered medically necessary by a physician.

With prior approval from the Plan Administrator, benefits will also be provided for other transportation subject to the following conditions:

1. If the needed medical care is not available near the Beneficiary's home and the Beneficiary must be taken to an out-of-area medical center.
2. If the Beneficiary requires frequent transportation between the Beneficiary's home and a hospital or clinic for such types of treatment as radiation or physical therapy or other special treatment which would otherwise require hospitalization, benefits will be provided for such transportation only when the Beneficiary cannot receive the needed care without such transportation.
3. If the Beneficiary requires an escort during transportation, the attending physician must submit satisfactory evidence as to why the Beneficiary needs an escort.

Discussion

Article III. A. (7)(e) of the Employer Benefit Plan provides benefits, subject to prior approval, for transportation to an out-of-area medical center for medically necessary care which is not available near the Beneficiary's home.

With regard to the issue of prior approval, the Employee's spouse states that she telephoned the Employer's insurance carrier and was told to proceed with the surgery and was instructed in the appropriate billing procedures. In response to inquiries from Funds' staff, the Employer stated that there are clearly-established procedures for obtaining prior approval. The Employer Benefit Plan booklet provided to all Employees states in Article III A(7)(e) that the Plan Administrator must be contacted for prior approval. Normally, an Employee would contact a benefits counselor at his workplace and be provided a form to submit in advance of the requested travel. If an Employee called the insurance carrier instead, the carrier would make a record of the request, advise the Employee that a form must be filled out in advance of the travel and contact the Plan Administrator or the local site benefits counselor concerning the request.

When the Employer's insurance carrier denied payment of benefits for travel to the out-of-area medical center, it stated as the reason for denial the fact that the Duke University Medical Center was not the closest out-of-area medical center. This position is substantiated by the referring family practitioner's letter of February 28, 1986, stating that closer facilities exist where the beneficiary could have received the necessary services.

Opinion of the Trustees

The Employer is not responsible for transportation expenses to an out-of-area medical facility as published prior approval procedures were not followed, nor was care obtained at the closest facility able to provide the services.