
OPINION OF TRUSTEES

In Re

Complainant: Employee
Respondent: Employer
ROD Case No: 84-467 - January 11, 1988

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 health benefits coverage under the terms of the Employer Benefit Plan.

Background Facts

The Employee's spouse experienced joint pains, muscle spasms, headaches, sinus problems, insomnia and gastrointestinal problems. In the opinion of a physician specializing in Family Practice and Allergy, foods were suspected to play a major role in her problems. The physician determined that, due to the severity of her problems, the Employee's spouse should be hospitalized to test her reactions to foods in a controlled environment. Accordingly, in July of 1985 the Employee's spouse received inpatient care in the ecology unit of a hospital located in Whiteville, North Carolina.

The Employer denied payment of room and board charges in the hospital on the basis that the inpatient services rendered were not covered. Furthermore, the Employer stated that in 1981 the Employee and his family underwent tests in a hospital in Texas for the same problem. Although the expense was not covered in the Plan Administrator's opinion, an exception was made at the time and both the travel expenses and the hospital charges were paid. The Employee was then notified by letter dated January 14, 1981 that no further bills for services of that nature would be paid without prior approval from the Plan Administrator.

Dispute

Is the Employer responsible for the payment of charges for the Employee's spouse's hospitalization on an ecology unit to test for food allergies?

Positions of the Parties

Position of the Complainant: The Employer is responsible for the payment of charges for the Employee's spouse's hospitalization in an ecology unit to test for food allergies because the test

for food allergies was medically necessary. Furthermore, the Employer should hold the Employee harmless from efforts made by the provider to collect its fees.

Position of the Respondent: The Employer is not responsible for the payment of charges for the Employer's spouse's hospitalization in an ecology unit to test for food allergies because inpatient hospitalization to test for allergic reactions to foods is not covered under the Plan; such tests can be performed on an outpatient basis. The Employer is not responsible for holding the Employee harmless because he incurred charges for non-covered benefits. Furthermore, the Employer was put on notice by letter in 1981 that such services would not be covered in the future without prior approval from the Plan Administrator.

Pertinent Provisions

The Introduction to Article III Benefits states:

Covered services shall be limited to those services which are reasonable and necessary for the diagnosis or treatment of an illness or injury and which are given at the appropriate level of care, or are otherwise provided for in the Plan. The fact that a procedure or level of care is prescribed by a physician does not mean that it is medically reasonable or necessary or that it is covered under this Plan. In determining questions of reasonableness and necessity, due consideration will be given to the customary practices of physicians in the community where the service is provided. Services which are not reasonable and necessary shall include, but are not limited to the following: procedures which are of unproven value or of questionable current usefulness; procedures which tend to be redundant when performed in combination with other procedures; diagnostic procedures which are unlikely to provide a physician with additional information when are used repeatedly; procedures which are not ordered by a physician or which they are used repeatedly; procedures which are not ordered by a physician or which are not documented in a timely fashion in the patient's medical records; procedures which can be performed with equal efficiency at a lower level of care. Covered services that are medically necessary will continue to be provided, and accordingly this paragraph shall not be construed to detract from plan coverage or eligibility as described in this Article III.

Article III. A. (1)(a) states in part:

(a) Semi-private room

When a Beneficiary is admitted by a licensed physician (hereinafter "physician") for treatment as an inpatient to an Accredited Hospital (hereinafter "hospital"), benefits will be provided for semi-private room accommodations (including special diets and general nursing care) and all medically necessary services provided by the hospital as set out below for the diagnosis and treatment of the Beneficiary's condition.

Medically necessary services provided in a hospital include the following:

Operating, recovery, and other treatment rooms
Laboratory tests and x-rays
Diagnostic or therapy items and services
Drugs and medication (including take-home drugs which are limited to a 30-day supply)
Radiation therapy
Chemotherapy
Physical therapy
Anesthesia services
Oxygen and its administration
Intravenous injections and solutions
Administration of blood and blood plasma
Blood, if it cannot be replaced by or on behalf of the Beneficiary

Article III. A. (11) states in part:

(a) In addition to the specific exclusions otherwise contained in the Plan, benefits are also not provided for the following:

16. Inpatient confinements solely for diagnostic evaluations which can be provided on an outpatient basis.

Discussion

Under the terms of Article III of the Employer Benefit Plan, covered services shall be limited to those services which are reasonable and necessary for the diagnosis or treatment of an illness or injury and which are given at the appropriate level of care, or are otherwise provided for in the Plan. A Fund's medical consultant has advised that the medical information provided does not substantiate that inpatient hospitalization to evaluate suspected food allergies was medically necessary. The Trustees are of the opinion that the Employer has correctly denied coverage and has no responsibility to hold the Employee harmless in this instance.

Opinion of the Trustees

The Employer is not responsible for coverage of the Employee's spouse's inpatient hospitalization charges for tests to evaluate her allergies to food.