
OPINION OF TRUSTEES

In Re

Complainant: Employee's Spouse
Respondent: Employer
ROD Case No: 84-500 - January 26, 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 benefits for travel expenses under the Employer Benefit Plan.

Background Facts

In 1977 the Complainant had a complicated vitrectomy for a detached retina caused by diabetes. Since there is no physician within her immediate area who has extensive experience with her eye condition, the Complainant travels from her home in Clintwood, Virginia, to the University of Virginia Medical Center in Charlottesville, Virginia, (approximately 240 miles) for annual follow-up examinations recommended by her ophthalmologist. The Employee's spouse stated that her travel expenses to Charlottesville were first covered by the Employer in 1977 when she underwent her vitrectomy. Her annual visits to Charlottesville for follow-up care were covered subsequently for five years. In May of 1982 her husband was laid off for a four year period, thus she was not eligible for coverage during that time -- 1983 through 1986. In 1987, she states that two or three weeks prior to her yearly visit to the ophthalmologist, she telephoned the Employer's new insurance carrier to ask what she had to do to be reimbursed for her travel expenses to Charlottesville and back. She states that she was told she needed to have her physician write a letter explaining why her travel was necessary. The Complainant maintains that this was the same requirement as that of the previous carrier, and that she had done this in past years. The physician wrote a letter on the day of her visit explaining the necessity of the out-of-area services, and the Complainant submitted it to the carrier.

The Employer states that the Complainant was advised by the carrier to submit a letter from her physician explaining the need for the travel in order to obtain prior approval. Since the physician's letter was written on the date of the visit and was submitted to the carrier after the services were rendered, approval was not requested from the Plan Administrator until after the expenses were incurred. Therefore, the Employer denied coverage for the travel expenses.

Dispute

Is the Employer responsible for providing payment for travel expenses related to the Complainant's visit to her out-of-area physician?

Position of the Parties

Position of the Complainant: The Employer is responsible for providing payment for travel expenses related to the Complainant's visit to her out-of-area physician because she complied with the instructions she received from the Employer's insurance carrier.

Position of the Employer: The Employer is not responsible for providing payment for travel expense related to the Complainant's visit to her out-of-area physician because prior approval was not obtained from the Plan Administrator. There are specific procedures to be followed for obtaining prior approval. These procedures are routinely described when a beneficiary requests prior approval from the carrier.

Pertinent Provisions

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

(7) Other Benefits

(e) Ambulance and Other Transportation

Benefits are provided for ambulance transportation to or from a 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.

The Employee's spouse states that she telephoned the Employer's insurance carrier to learn what she needed to do to be reimbursed for travel expenses and was told that she needed to have her physician write a letter explaining why it was necessary for her to travel to Charlottesville, Virginia, for medical services. She contends that she was not told that prior approval was required and, therefore, that the letter must be submitted, and approval given, before the expenses were incurred.

In response to inquiries from Funds' staff, the Employer stated 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. According to the Employer, an Employee would normally contact a benefits counselor at his work place for prior approval and would 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 tell the Employee to contact the local site benefits counselor or the Plan Administrator concerning the request. According to the Employer, its procedures for obtaining prior approval have not changed with the advent of a new carrier; it has had such procedures in place since the beginning of the 1984 Coal Wage Agreement. The 1981 Coal Wage Agreement also contained a requirement for prior approval; however, according to the Plan Administrator it has probably been more strictly enforced under the 1984 Agreement. While the Complainant maintains she attempted to discover the proper procedures for obtaining travel reimbursement by contacting the Employer's carrier, she has not established that she was misled about the prior approval requirement. Therefore, because the Complainant failed to obtain prior approval for her travel expenses, the Employer is not responsible for reimbursing them.

Opinion of the Trustees

The Employer is not responsible for providing payment for travel expenses related to the Complainant's visit to her out-of-area physician.