

OPINION OF TRUSTEES

In Re

Complainant: Employee
Respondent: Employer
ROD Case No: 84-530 - May 24, 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 an electric hospital bed under the terms of the Employer Benefit Plan.

Background Facts

The Employee's spouse rented an electric hospital bed for two months following her discharge from the hospital, where she was treated for degenerative arthritis of the lumbar spine. The Employee states that he contacted the Employer's insurance carrier by telephone and explained that the bed was needed so that his wife could be discharged from the hospital. The Employee states he was authorized by the carrier over the telephone to obtain the bed and he understood the carrier would pay the charges. The carrier subsequently denied payment of the charges for the bed.

The Employer maintains that it never granted the Employee prior approval for the rental of the hospital bed. The Employer stated that its carrier's customary procedure is to respond in a general sense to beneficiaries who call to verify that a service or item is reimbursable under the Plan. The Employer states that the carrier does not agree to provide benefits without substantiation of medical necessity. The Employer further states that in this case the medical necessity of the electric hospital bed was not established. The physician's statement prescribing the bed (the medical justification form) was not signed by the physician until one month after the bed had been placed in the home and the form indicates that the Employee's spouse was ambulatory at the time of discharge from the hospital.

Dispute

Is the Employer responsible for the provision of health benefits for the rental of the electric hospital bed for the Employee's spouse?

Positions of the Parties

Position of the Complainant: The Employer is responsible for payment of benefits for the rental of the electric hospital bed because it enabled the Employee's spouse to be discharged from the hospital, thus avoiding an extended period of hospitalization, and prior approval for its rental was obtained from the Employer's insurance carrier.

Position of the Respondent: The Employer is not responsible for payment of benefits for the rental of the electric hospital bed for the Employee's spouse because it was not medically necessary. The Employer did not grant prior approval for the rental of the electric hospital bed for the Employee's spouse.

Pertinent Provisions

Article III. A. (6)(d) of the 1984 Employer Benefit Plan states:

(d) Medical Equipment

Benefits are provided for rental or, where appropriate, purchase of medical equipment suitable for home use when determined to be necessary by a physician.

Q&A 81-38 states:

Subject: Medical Equipment and Supplies

References: Amended 1950 & 1974 Benefit Plans & Trust, Article III. Section A. (6)(d) and (e), and A. (7) (a) and (d)

Question:

What medical equipment and supplies are covered under the Plan?

Answer:

A. Under the Home Health Services and Equipment provision, benefits are provided for the rental and, where appropriate as determined by the Plan Administrator, purchase of medical equipment and supplies (including items essential to the effective use of the equipment) suitable for home use when determined to be medically necessary by a physician. These supplies and equipment include, but are not limited to, the following:

1. Durable Medical Equipment (DME) which (a) can withstand use (i.e., could normally be rented), (b) is primarily and customarily used to service a medical purpose, (c) generally is not useful to a person in the absence of an illness or injury, and (d) is appropriate for use in the home. Examples of covered DME items are canes, commodes, and other safety bathroom equipment, home dialysis equipment, hospital beds and mattresses, iron lungs, orthopedic frames and

traction devices, oxygen tents, patient lifts, respirators, vaporizers, walkers and wheel chairs.

Discussion

Article III. A. (6) (d) of the Employer Benefit Plan provides benefits for medical equipment suitable for home use when determined to be medically necessary by a physician.

Q&A 81-38 states that covered equipment includes, "Durable Medical Equipment (DME) which (a) can withstand use (i.e., could normally be rented), (b) is primarily and customarily used to service a medical purpose, (c) generally is not useful to a person in the absence of an illness or injury, and (d) is appropriate for use in the home." The electric hospital bed rented for the Employee's spouse meets all four criteria. First, it can withstand repeated use. Second, an electric hospital bed is primarily and customarily used for a medical purpose -- i.e., to enable bedridden patients to reposition themselves as necessary. Third, the bed would not be useful for persons who are not bedridden. Fourth, the electric hospital bed can be safely operated without the assistance of professional personnel and is therefore suitable for home use.

Although an item of DME may meet the criteria outlined in Q&A 81-38, it is covered under Article III. A. (6) (d) of the Employer Benefit Plan only if it is medically necessary for the treatment of an illness or injury. The Employer states that it provides coverage for items contingent upon the satisfaction of the medical necessity provisions of the Plan and does not guarantee coverage or agree to pay for expenses without substantiation of medical necessity. The Employer has a process for the submission of claims for DME, including the completion of a medical justification form by the prescribing physician. The physician is required to explain the medical necessity of the item of DME. In this case, the medical justification form was not signed until one month after the bed had been placed in the home, and it indicated that the Employee's spouse was ambulatory at the time of discharge from the hospital. Thus, the patient was not bedridden but merely required bed rest. There is no evidence that a physician ordered a hospital bed at the time of discharge and certainly not as a condition for discharge.

A Funds' medical consultant has reviewed the material in this case and advised that the medical documentation does not establish the medical necessity of the Employee's spouse's use of an electric hospital bed for two months. Because the medical necessity of the electric hospital bed for the Employee's spouse has not been established, the Employer is not responsible for providing benefits for its rental.

Opinion of the Trustees

The Employer is not responsible for providing health benefits for the rental of an electric hospital bed for the Employee's spouse.