

OPINION OF TRUSTEES

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In Re

Complainant: Employee  
Respondent: Employer  
ROD Case No: 88-363 - April 24, 1991

Board of Trustees: Joseph P. Connors, Sr., Chairman; Paul R. Dean, Trustee; William Miller, Trustee; Donald E. Pierce, Jr., Trustee; Thomas H. Saggau, 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 Employee's spouse's inpatient hospital stay under the terms of the Employer Benefit Plan.

Background Facts

On January 8, 1990, the Employee's spouse was hospitalized for an internal and external hemorrhoidectomy, sphincterotomy and anoplasty. Her physician characterized the surgery as extensive given the amount of tissue removed, including an epidermal cyst, anal ulcer, anal polyp and hemorrhoids.

According to the physician, it is necessary and routine to keep patients who have had such extensive rectal surgery in the hospital until they have had a normal bowel movement. The hospital records submitted in this case show that the Employee's spouse reported a small bowel movement at 12:10 pm on January 9, 1990, and a normal one at 9:20 that night. The employee's spouse was discharged on January 10, 1990.

The Employer has denied coverage for the last day of admission on the grounds that the medical records reviewed did not support a finding of medical necessity.

Dispute

Is the Employer required to pay the hospital charges incurred during the last day of the Employee's spouse's hospitalization from January 8, 1990 to January 10, 1990?

Positions of the Parties

Position of the Employee: The Employer is required to pay the hospital charges in question because the Employee's spouse's physician felt it was necessary for her to remain hospitalized until January 10, 1990.

Position of the Employer: The Employer is not required to pay the hospital charges because the last day of the Employee's spouse's hospitalization was not medically necessary. Medical records detailing her condition do not support a finding of medical necessity.

#### Pertinent Provisions

The Introduction to Article III of the Employer Benefit Plan provides:

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 they are used repeatedly; procedures which are not ordered by a physician or which are not documented in 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) of the Employer Benefit Plan provides:

(1) Inpatient Hospital Benefits

(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

#### Discussion

The Introduction to Article III of the Employer Benefit Plan states that 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. The Introduction further states that the fact that a level of care is prescribed by a physician does not mean that it is medically reasonable or necessary or that it is covered under the Plan. Article III. A. (1) (a) of the Plan states that if a Beneficiary is admitted to a hospital by a physician, benefits will be provided for room accommodations and medically necessary services provided by a hospital for the diagnosis and treatment of the Beneficiary's condition.

A Funds' medical consultant has reviewed the information submitted in this case and has advised that the patient in this case had more extensive rectal surgery than a routine hemorrhoidectomy. The consultant has advised that, because of the extent of the surgery, hospitalization from January 9, 1990 to January 10, 1990 for an extra day of observation was medically reasonable and necessary for the care of the Employee's spouse. Therefore, the Trustees conclude that the Employer is required to provide benefits for the last day of the Employee's spouse's hospitalization.

#### Opinion of the Trustees

The Employer is required to provide benefits for the last day of the Employee's spouse's hospitalization from January 8, 1990 to January 10, 1990.