
OPINION OF TRUSTEES

In Re

Complainant: Pensioner
Respondent: Employer
ROD Case No: CA-016 - July 16, 1998

Trustees: A. Frank Dunham, Michael H. Holland, Marty D. Hudson and Elliot A. Segal.

The Trustees have reviewed the facts and circumstances of this dispute concerning the provision of health benefits coverage for confinement in an intermediate care facility under the terms of the Coal Industry Retiree Health Benefits Act of 1992 (Coal Act) Employer Benefit Plan, maintained pursuant to section 9711 of the Internal Revenue Code.

Background Facts

The Pensioner has a long history of nonspecific psychiatric problems for which he was prescribed Haldol. He took this medication for ten years up until he retired. At this time, he ceased taking the medication and his mental state gradually worsened. In October 1993, he was admitted for treatment following a confrontation with a neighbor over a shared driveway. He was discharged in January 1994 to a retirement home where he did well until his daughter informed him that conservatorship papers were to be served and he subsequently made threatening telephone calls to her. He was hospitalized again and, during that stay, struck a nursing assistant. After discharge to his home, he reportedly did not take his medications at the appropriate times or in the correct dosages.

On July 29, 1994, the Pensioner was admitted to an intermediate care facility for management of his medical and mental problems. The medical records note that he has chronic obstructive pulmonary disease, diabetes, coronary artery disease, and a history of alcohol abuse. During his stay, he was treated with Haldol injections and his diabetes eventually required insulin injections as well. The Pensioner has recently been discharged to his daughter's home under medication.

The Employer has denied benefits for the Pensioner's stay in the intermediate care facility.

Dispute

Is the Employer required to provide benefits for the Pensioner's stay in the intermediate care facility?

Positions of the Parties

Position of the Pensioner: The Employer is required to provide benefits for the Pensioner's stay in the intermediate care facility because it was medically necessary.

Position of the Employer: The Employer is not required to provide benefits for the Pensioner's stay in the intermediate care facility admission because it was not medically necessary.

Pertinent Provisions

Article III A. (1) (e) of the Coal Act Employer Benefit Plan states:

(1) Inpatient Hospital Benefits

(e) Mental Illness

Benefits are provided for up to a maximum of 30 days for a Beneficiary who is confined for mental illness in a hospital by a licensed psychiatrist. When medically necessary, hospitalization may be extended for a maximum of 30 additional days for confinements for an acute (short-term) mental illness, per episode of acute illness. (More than 90 days of confinement for mental illness over a two-year period, (dating from the first day of hospital confinement, even if the first day of confinement occurred during a prior Wage Agreement) is deemed for purposes of this Plan to be a chronic (long-term) mental problem for which the Plan will not provide inpatient hospital benefits.)

Article III A. (5) (b) 2. of the Coal Act Employer Benefit Plan states:

(5) Skilled Nursing Care and Extended Care Units

(b) Extended Care Units

Exclusions:

2. Custodial care.

Article III A. (11) (a) 8. of the Coal Act Employer Benefit Plan states:

(11) General Exclusions

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

8. Custodial care, convalescent or rest cures.

Discussion

Article III. A. (1) (e) of the Coal Act Employer Benefit Plan defines conditions for coverage of mental illness hospitalization. Article III A. (5) (b) of the Plan excludes benefits for custodial care in an extended care unit. Article III A. (11) (a) 8. of the Plan excludes benefits for custodial care.

The record shows that the Pensioner was confined to the extended care facility for more than three years. The Plan provides inpatient mental illness benefits only for a patient confined to a hospital, and thus the provision of inpatient mental illness benefits are not appropriate in this instance. Additionally, a Funds' medical consultant has reviewed the medical documentation submitted with this case and has concluded that there is no medical evidence that the Pensioner required, or received, skilled nursing services. It is his opinion that the care the Pensioner received was custodial in nature. Therefore, the Employer is not required to provide benefits for the Pensioner's stay in the intermediate care facility.

Opinion of the Trustees

Consistent with provisions of the Employer Benefit Plan, the Employer is not required to provide benefits for the Pensioner's stay in the intermediate care facility.