

AUTOMATIC SPRINKLER

LOCAL 281, U.A.

WELFARE FUND



TRUSTEES
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Dear Members and Participants,

A recent audit conducted by the Fund's Certified Public accountants revealed payments for claims related to services that were not described in the Plan's SPD. The SPD specifies that "the Plan provides benefits only for those medically necessary covered services and charges expressly described in the Plan. Any Omission of service or charge shall be presumed to be exclusion even though not expressly stated as such." Specifically these claims related to the following services.

- Speech Therapy
- Occupational Therapy
- Developmental Therapy
- Therapeutic Services

The Auditor noted that although these claims were paid based on proof of medical necessity by a physician, the Plan should consider evaluating these benefits and adding specific descriptions in the SPD of covered services. With additional advice of the Fund Attorney and the Department of Labor, until the Trustees make formal decisions on specific language relating to the concerns raised by the Auditor, the Fund will follow the following advice.

Occupational and Physical Therapy claims will be approved for up to 20 visits when ordered by a physician. Medical necessity documentation is not needed as long as it can confirmed there was a surgery or some type of injury that would make sense to follow up with therapy. Any therapy services over the allowed 20 visits will need to be reviewed by Hines and Associates for appropriateness.

Speech Therapy courses or treatments, except where necessary to restore speech lost due to injury or Sickness; will be denied. The person must have had the skill in the first place in order to consider it "lost". A stroke is the best example where most plans allow coverage for speech issues. Any further claims for speech therapy on children who never "lost" a previous skill will be denied.

Developmental Care claims will be considered not covered by the plan and will be denied by the plan. The Trustees will be looking at the definitions of developmental care which may be paired with a new exclusion to exclude Developmental care:

Developmental Care

The term "Developmental Care" means services, supplies or prescription drugs, regardless of where or by whom provided, which meet **one of the following criteria:**

- A. Are provided to an Eligible Person who has not previously reached the level of development expected for his age in areas of major life activity such as intellectual; receptive and expressive language, learning, mobility, self-direction, capacity for independent living; or
- B. Are not rehabilitative in nature (restoring fully developed skills that were lost or impaired due to injury or Sickness); or
- C. Are educational in nature.

All of these claims/therapies will be topics the Trustees will take under consideration at the next Trustee meeting in November. The membership will be notified of any changes to the plan based on the decisions of the Trustees.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tim Morrin', written in a cursive style.

Tim Morrin
Fund Administrator