

INLAND STEEL COMPANY

and

UNITED STEELWORKERS OF AMERICA
Local Union 1010

Grievance No. IH-PIB-1
Appeal No. 1172
Award No. 581

Opinion and Award

Appearances:

For the Company:

William A. Dillon, Assistant Director, Industrial Relations
R. H. Ayres, Superintendent, Labor Relations
T. R. Tikalsky, Assistant Superintendent, Labor Relations
J. T. Hewitt, Representative Labor Relations
A. F. Winston, Manager, Employee Benefits
J. E. Sheehan, Supervisor, Employee Benefits
J. S. Sloan, Supervisor, Insurance and Employee Benefits

For the Union:

Peter Calacci, International Representative
James Balanoff, Secretary, Grievance Committee
Ray Carson, Grievance Committeeman
Sam Hockman, Business Manager, Hammond Clinic

This grievance raises an issue which calls for the interpretation of Section 7 A (1) of the parties' Insurance Agreement of January 4, 1960, as amended August 1, 1963. The grievant's claim for hospital expense benefits is involved. His son had a tonsillectomy performed at the Hammond Clinic and remained at this Clinic overnight. The claim was rejected by the Company because this Clinic is not a "recognized hospital" as required by the Insurance Agreement.

The operation was performed by Dr. Kuhn who until two weeks before was connected with his own proprietary clinic known as the Kuhn Clinic. Under the circumstances of this case if the surgery had been performed at the Kuhn Clinic the hospital benefits would have been paid, but the Kuhn Clinic had been discontinued and Dr. Kuhn and another physician associated with him transferred their activities and those of the Kuhn Clinic to the Hammond Clinic. In fact, a separate floor was devoted to the eye, ear, nose and throat work formerly done at the Kuhn Clinic.

The Kuhn Clinic was recognized by virtue of the fact that it was a Blue Cross contracting or participating hospital. The Hammond Clinic has never been, nor is it licensed by the State of Indiana, accredited by the Joint Commission on Accreditation of Hospitals for the United States, or listed as a registered hospital by the American Hospital Association.

Proprietary hospitals are being phased out as contracting or participating hospitals by the Blue Cross, and by 1967 the Kuhn Clinic would have lost its recognition.

On behalf of grievant, it was argued that the facilities at the Hammond Clinic are superior to those at the Kuhn Clinic, but there are no grounds upon which the arbitrator may make such a comparison or evaluation in construing and applying the agreement of the parties which specifically stipulates that the benefits in question "shall be payable where the confinement is in a recognized hospital," and where the uncontradicted evidence is that confinements in hospitals not recognized as such have not supported the payment of daily hospital expense benefits under this Agreement or under similar agreements in the area.

AWARD

This grievance is denied.

Dated: June 21, 1966

/s/ David L. Cole
David L. Cole, Permanent Arbitrator