W. B. Hafferth

INTER/OFFICE COMMUNICATION

To ALL DISTRICT AND BRANCH MANAGERS (U. S. ONLY) November 17, 1966

From F. L. Gardner, Lancaster

Subject Asbestos Worker Chest X-rays

PLAINTIFF'S EXHIBIT

ACS-318

Recently our Richmond office uncovered an expense proposed by the local union against their operation and accident experience that is not the responsibility of the employer. Local 88 in Richmond advised all members to have chest X-rays to determine the presence of Asbestosis. The union health and welfare program pays the bill for the initial X-ray; however, should the X-ray show any evidence of congestion, the men are advised by their doctor to return for additional X-rays and consultation. On the advice of the union, all subsequent bills are sent by the employee to his employer under the usual job site accident procedure.

The local office of our insurance carrier--Aetna--advised that no bills for this service would be paid unless they have absolute certification from the doctor that Asbestosis is present and they in turn determine whether or not the individual contracted Asbestosis while working for Armstrong. In this instance, bills were returned to the employee stating that the employer and/or his insurance carrier was not liable for payment since no incapacity to work because of occupational disease had resulted at the time. Such employees are advised to seek compensation under their union health and welfare program.

11/23/66 WRSH In its review of X-ray charge, our Insurance Department stated "The cost of additional treatment is not a valid charge against Aetna Casualty and Surety Company unless existence of Asbestosis is certified and it was contracted while in your employ. If you decide to pay any of these bills which are submitted to you, you will probably be doing so for your own account."

In view of this statement and the information from our insurance carrier, it certainly seems advisable that each office ascertain that similar charges are not being processed either by our office or by the local Aetna office. We understand some offices have set up a procedure with the local Aetna office for all checks covering payment of compensation claims to be forwarded to our local office for review. If payment is justified, checks are then passed along to the employee.

RAH