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OPINION OF TRUSTEES

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In Re

Complainant: Employee  
Respondent: Employer  
ROD Case No: 171, January 27, 1981

Board of Trustees: Harrison Combs, Chairman; John J. O'Connell, Trustee; Paul R. Dean, Trustee.

Pursuant to Article IX of the United Mine Workers of America 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 pregnancy benefits for the spouse of the Employee by the Employer and hereby render their opinion on the matter.

Background Facts

The Employee was employed by a signatory Employer from June 12, 1976, through May 31 1978. On November 1, 1978, the Employer was declared out-of-business. On June 1, 1978, the Employee began employment with the Respondent Employer. At that time, the Employee's dependent spouse was six and one-half months pregnant. The baby was born on August 22, 1978 and payment of the obstetrical and maternity services has been denied by the Insurance Carrier. Payment was made on the charges associated with the hospital and physician services for the infant.

Dispute

Is the Respondent Employer responsible for payment of the maternity and obstetrical services rendered the Employee's spouse?

Positions of the Parties

Employee's Position: The Insurance Company should pay all the charges for the services rendered the Employee's spouse. The Employee has paid \$400.00 for the physician's services for which the Employee is seeking reimbursement.

Employer's Position: The Employer's Plan states that if an Employee's wife was pregnant before a mineworker was covered under the Employer's Plan, it was the responsibility of his previous Employer to pick up the doctor and hospital charges for the mother. The Insurance Carrier paid the hospital nursery charges and the doctor's charges for the baby, only. The Employer cites the

"Opinion of Trustees", Case No. 18 to support his position and notes that the Pregnancy Discrimination Act of 1978 had not been enacted at the time the services were rendered.

#### Pertinent Provisions

- Article III, Section A(1)(h) and Article III, Section A(3)(c) of the Employer's Plan provide that maternity and obstetrical care will be provided if the pregnancy commenced on or after the date of the Beneficiary's eligibility for benefits under the Plan.
- Article III, Section A(10)(a) 2 of the Employer's Plan provides as follows:

Under General Exclusions:

2. Services rendered:

- i. Prior to the effective date of a Beneficiary's eligibility under the Plan or
- ii. Subsequent to the period after which a Beneficiary is no longer eligible for benefits under the Plan; provided, however, that coverage as described in Article III, Sections A(1)(a) and (3)(c) will be provided for a pregnancy which commenced while the Beneficiary was eligible for coverage under this Plan if the Employee is employed as a classified Employee with another signatory Employer to the Wage Agreement at the time the services are rendered.

#### Discussion

As provided in Article III, Section A(1)(h) and (3)(c), the Respondent Employer is not responsible for payment of the maternity and obstetrical services for the Employee's spouse, because the pregnancy commenced prior to the date of the Beneficiary's eligibility under the Plan. According to Article III, Section A(10)(a) 2, the Employer with whom the Employee was employed at the time the pregnancy commenced is responsible for payment of such charges. In this case, the Employer responsible for payment of the charges was declared officially out-of-business on November 1, 1978, and the Employee may, therefore, be unable to recover from that Employer. In any event, it is clear that the Respondent Employer is not responsible for the payment of these charges.

In addition, this case is not affected by the Pregnancy Discrimination Act of 1978 in that the effective date of the Act, as it affects the Employer's health and benefit plans, is April 29, 1979.

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The Trustees are of the opinion that the Respondent Employer is not responsible for payment of the maternity and obstetrical services rendered the Employee's spouse.