

October 21, 1985

(Opinion issued in letter form; name and address deleted)

Re: Opinion of Trustees
Resolution of Dispute
Case No. 84-034

Pursuant to Article IX of the United Mine Workers of America ("UMWA") 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 an Employer's responsibility to provide an Employee and his dependents with health benefits at the level prescribed by the terms of the National Bituminous Coal Wage Agreement of 1984 (Wage Agreement).

This dispute arises from your claim that your Employer is not providing benefits coverage to you at the level specified in the Wage Agreement for Employer Benefit Plans. You have submitted copies of itemized invoices representing a total outstanding balance of approximately \$2,700. You have also submitted actual Explanation of Benefit statements from the Employer's Insurance Carrier which show that, under the existing Employer Benefit Plan, health benefit payments are subject to a \$100 deductible per family member. You have requested that the Employer provide health benefits coverage for you and your dependents at the level established by the 1984 Wage Agreement.

Under Article II A. (1) and (4) of the Employer Benefit Plan, persons who are actively at work for the Employer on the effective date of the Wage Agreement are eligible to receive health benefits pursuant to Article III of the Plan. Persons employed after the date of the Wage Agreement will be eligible from the first day worked with the Employer.

Funds records show that you have been actively employed by the Employer since 1978. The Employer is therefore responsible for providing health benefits coverage to you at the level specified in the Wage Agreement. Article XX (c) (3) (i) of the Wage Agreement states that "each signatory Employer shall establish and maintain an Employee benefit plan to provide, implemented through an insurance carrier(s), health and other non-pension benefits for its Employees covered by this Agreement." The Wage Agreement further provides that "[h]ealth care benefits are guaranteed during the term of this Agreement subject to this Agreement at the level of benefits provided in the 1950 Benefit Plan, 1974 Benefit Plan, and the Employer Benefit Plan." The Employer is responsible for assuring that the specified benefits are provided in accordance with the guidelines of the Wage Agreement and the Employer Benefit Plan.

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Because the Employer Benefit Plan provided by your Employer subjects benefits payments to a per-family-member deductible, it is inconsistent with the level of benefits coverage prescribed by the 1984 Wage Agreement.

Benefit levels to be provided to Employees, Pensioners, and their dependents and survivors are established through collective bargaining and are not subject to unilateral change by either party. The Trustees have therefore determined that the Employer's current health plan does not meet the level established pursuant to the terms of the 1984 Wage Agreement.

Sincerely,

Joseph P. Connors, Sr., Chairman

Paul R. Dean, Trustee

William B. Jordan, Trustee

William Miller, Trustee

Donald E. Pierce, Jr., Trustee