

October 1, 1985

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

Re: Resolution of Dispute  
ROD Case No. 84-055

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 which you have submitted on behalf of the Employees of the Golden Chip Coal Co., concerning the provision of health benefits coverage for its Employees under the terms of the Employer Benefit Plan.

This dispute arises because effective January 31, 1985, the Employer ceased providing benefits coverage to Employees and their eligible dependents under the Employer Benefit Plan established pursuant to the National Bituminous Coal Wage Agreement of 1984. You have asked that all outstanding bills incurred after January 31, 1985 be paid by the Employer and that the Employees be reimbursed for all covered expenses.

In support of your position you have submitted copies of itemized health care invoices for services incurred after health benefits coverage was terminated on January 31, 1985. Further, you have stated that the Employer has asserted that health benefits coverage will be reinstated as soon as it is financially able to provide it.

The Employer has failed to respond to repeated correspondence from the Trustees of the UMWA Health and Retirement Funds requesting its position in this dispute. Therefore, the Trustees must decide this dispute based on the information available.

Under Article XX C. (3)(i) of the National Bituminous Coal Wage Agreement of 1984, each signatory Employer must maintain an Employer Benefit Plan (Plan) to provide, through an insurance carrier(s), health and other non-pension benefits for its Employees. Under Article II A. (1) and (4) of the Plan, persons who are actively at work for the Employer on the effective date of the Wage Agreement are eligible to receive health benefits coverage pursuant to Article III. Persons employed after the date of the Wage Agreement will be eligible from the first day worked with the Employer.

According to a statement made by a company representative, the company was operating as of June 7, 1985. Additionally, records maintained by the UMWA Health and Retirement Funds indicate that on October 8, 1984, the Employer signed a Letter of Agreement in which it agreed, among other things, to be bound by the terms and conditions of the "agreement successor to the

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1981 National Agreement." By virtue of this executed Letter of Agreement, the Employer must be considered signatory to the 1984 Wage Agreement.

The Employer therefore is responsible to provide those benefits specified in the Agreement and the Plans incorporated by reference therein. Consequently, the Employer is responsible for the provision of health benefits coverage for its Employees at the level specified in the Employer Benefit Plan established by the National Bituminous Coal Wage Agreement of 1984.

Sincerely,

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Joseph P. Connors, Sr., Chairman

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Paul R. Dean, Trustee

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William B. Jordan, Trustee

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William Miller, Trustee

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Donald E. Pierce, Jr., Trustee