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## OPINION OF TRUSTEES

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### In Re

Complainant: Laid-off Employee  
Respondent: Employer  
ROD Case No: 84-489 - December 7, 1987

Board of Trustees: Joseph P. Connors, Sr., Chairman; Paul R. Dean, Trustee; William B. Jordan, Trustee; William Miller, Trustee; Donald E. Pierce, Jr., Trustee.

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 the provision of benefits coverage under the terms of the Employer Benefit Plan.

### Background Facts

The Complainant was employed in a classified position by the Respondent from September, 1977 until February 17, 1987, when he was laid off. Hours reported to the Funds by the Respondent indicate that the Complainant worked over 2,000 hours between February 1985 and March 1986. The Respondent did not report any hours for the Complainant after March 1986. The Complainant has submitted copies of pay stubs received from the Respondent between April 4, 1986 and February 7, 1987, as evidence of his continuing employment with the Respondent.

The Complainant has indicated that the Respondent failed to provide health benefits coverage at various times during the Complainant's employment. The Complainant has stated that the Respondent most recently provided coverage from February 1987 to April 1987; however, he has been without coverage since that time. The Complainant has submitted copies of unpaid medical bills incurred between December 1985 and May 1987.

### Dispute

Whether the Respondent is responsible for payment of the outstanding medical bills incurred by the Complainant and for providing continued health benefits coverage for the Complainant as a laid-off Employee.

### Positions of the Parties

Position of the Complainant: The Respondent is responsible for payment of the Complainant's outstanding medical bills and for providing continued health benefits coverage for the Complainant as a laid-off Employee.

Position of the Respondent: The Respondent has not responded to repeated correspondence from Funds' staff regarding its position in this dispute.

#### Pertinent Provisions

Article XX Section (c)(3)(i) of the National Bituminous Coal Wage Agreement of 1984 provides in pertinent part:

(c) 1974 Plans and Trusts

(3)(i) 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 as well as pensioners, under the 1974 Pension Plan and Trust, whose last signatory classified employment was with such Employer. The benefits provided by the Employer to its eligible Participants pursuant to such plans shall be guaranteed during the term of this Agreement by that Employer at levels set forth in such plans.

Article I (1), (2) and (4) of the Employer Benefit Plan provide:

#### Article I - Definitions

The following terms shall have the meanings herein set forth:

- (1) "Employer" means (Employer's Name).
- (2) "Wage Agreement" means the National Bituminous Coal Wage Agreement of 1984, as amended from time to time and any successor agreement.
- (4) "Employee" shall mean a person working in a classified job for the Employer, eligible to receive benefits hereunder.

Article II A. (I) of the Employer Benefit Plan provides:

#### Article II - Eligibility

The persons eligible to receive the health benefits pursuant to Article III are as follows:

A. Active Employees

Benefits under Article III shall be provided to any Employee who:

- (1) is actively at work\* for the Employer on the effective date of the Wage Agreement; ...

\*Actively at work includes an Employee of the Employer who was actively at work on September 30, 1984, and who returns to active work with the Employer two weeks after the effective date of the Wage Agreement.

Article III D. (1) (a) of the Employer Benefit Plan provides:

#### Article III - Benefits

##### D. General Provisions

(1) Continuation of Coverage

(a) Layoff

If an Employee ceases work because of layoff, continuation of health, life and accidental death and dismemberment insurance coverage is as follows:

<u>Number of Hours Worked for the Employer in the 24 Consecutive Calendar Month Period Immediately Prior to the Employee's Date Last Worked</u>	<u>Period of Coverage Continuation from the Date Last Worked</u>
2,000 or more hours	Balance of month plus 12 months
500 or more but less than 2,000 hours	Balance of month plus 6 months
Less than 500 hours	30 days

#### Discussion

Article XX Section (c)(3)(i) of the National Bituminous Coal Wage Agreement of 1984 requires a signatory Employer to establish and maintain an Employer Benefit Plan to provide health and other non-pension benefits for its Employees. The Wage Agreement stipulates that benefits provided by the Employer pursuant to such Plan shall be guaranteed during the term of the Agreement by that Employer at levels set forth in such Plan.

Article II A. of the Employer Benefit Plan provides health benefits coverage for an Employee working in a classified job for a signatory Employer. Article III D. (1)(a) provides that such

coverage shall continue for a laid-off Employee for a period based on the number of hours worked for the Employer during the 24-month period prior to the date last worked. Inasmuch as the Complainant was an active Employee of the Respondent until February 17, 1987, and a laid-off Employee thereafter, the Respondent is responsible for providing health and other non-pension benefits for the Complainant during his employment and during his period of eligibility as a laid-off Employee as determined under the terms of the Employer Benefit Plan.

Opinion of the Trustees

The Respondent is responsible for payment of covered medical expenses incurred by the Complainant between December 1985 and May 1987, and for providing continued health and other non-pension benefits coverage for the Complainant during his period of eligibility as a laid-off Employee as determined under the terms of the Employer Benefit Plan.