
OPINION OF TRUSTEES

In Re

Complainants: Employees
Respondent: Employer
ROD Case No: 84-556 - February 24, 1988

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 health benefits coverage for Employees under the terms of the Employer Benefit Plan.

Background Facts

The Complainants are Employees working in classified jobs for the Respondent. The Respondent is signatory to the National Bituminous Coal Wage Agreement ("Wage Agreement") of 1984.

The representative for the Complainants states that the Respondent provided health benefits coverage for the Complainants through Mountain Trails Health Plan until March 31, 1987; the Respondent subsequently provided coverage through Blue Cross/Blue Shield, effective July 1987. The representative has submitted information to the Funds which indicates that the Respondent has not paid medical bills incurred by the Complainants in April, May and June 1987.

Dispute

Whether the Respondent is responsible for payment of the Complainants' outstanding medical bills?

Positions of the Parties

Position of the Complainants: The Respondent is responsible for payment of covered medical expenses incurred during the Complainants' employment with the Respondent.

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 1984 Wage Agreement provides in pertinent part:

(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. (4) 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

- (4) A new Employee will be eligible for health benefits from the first day worked with the Employer.

Discussion

Article XX Section (c)(3)(i) of the 1984 Wage Agreement requires an Employer to provide an Employer Benefit Plan... "implemented through an insurance carrier(s), [for] health and other non-pension benefits..." It further requires that "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 II. A of the Employer Benefit Plan provides health benefits coverage to active employees working in classified jobs for a signatory Employer. Inasmuch as the Complainants were eligible for health benefits coverage from the Respondent as active Employees at the time their outstanding medical charges were incurred, the Respondent is responsible for payment of those charges under the terms of the Employer Benefit Plan.

Opinion of the Trustees

The Respondent is responsible for payment of the covered medical charges incurred by the Complainants during their employment with the Respondent under the terms of the Employer Benefit Plan.