

June 27, 1979

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

RE: Opinion of Trustees
Resolution of Disputes
Case No. 26

Pursuant to Article IX of the UMWA 1950 Benefit Plan and Trust, and under the authority of an exemption granted by the U.S. Department of Labor, the Trustees have received the question of advance payment of insurance premiums by pensioners and disabled employees for continued benefit coverage under Employer benefit plans in the event of an economic strike. Their opinion is issued in Question and Answer form as follows:

Subject: Advanced Insurance Premiums
Reference: Employer Benefit Plan Art, III E(2)

Question: Article III E(2) of the Employer benefit plans provides that in the event of an economic strike at the expiration of the NBCWA of 1978, the Employer will advance the benefit coverage insurance premiums for the first 30 days of such strike; thereafter, the Employees may elect to pay the premiums themselves.

Does this provision for advanced insurance premiums apply to 1974 Plan pensioners and disabled employees under the Employer benefit plans?

Answer: No. Reimbursement for payment of the first 30 days of coverage by the Employer is to be resolved by a check-off deduction at the end of the strike. This procedure is not available to pensioners and disabled employees. Such participants, however, may contact the insurance companies direct with regard to paying the premiums themselves at the outset of the economic strike, if any.