

OPINION OF TRUSTEES

In Re

Complainant: Surviving Spouse
Respondent: Employer
ROD Case No: 69 - November 26, 1979

Board of Trustees: Harrison Combs, Chairman; John J. O'Connell, Trustee; Paul R. Dean, Trustee.

Pursuant to Article IX of the United Mine Workers of America 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 death and health benefits for the survivors of the deceased Employee by the Employer and hereby render their opinion on the matter.

Background Facts

The Employee, who was born December 26, 1946, started to work for the Respondent Employer on April 12, 1972. He sustained a compensable mining injury on March 15, 1976 and was paid Workers' Compensation through April 29, 1978; he was later awarded a 3 per cent permanent partial Workers' Compensation Award. The Employee did not work between March 15, 1976 and April 29, 1978.

He returned to work for the Employer during May, 1978 and worked a total of 15 days during the period ending August 15, 1978. He was killed in a non-mine accident on April 3, 1979. The Employer denied the claim for life insurance filed by the surviving spouse of the Employee.

Dispute

Is the Employer responsible for the provision of life insurance for the surviving spouse of the deceased Employee?

Positions of the Parties

Position of the Surviving Spouse: She feels that since the Employee had performed some work for the Employer during the 12-month period prior to his death, she should be eligible for life insurance.

Position of the Employer: The Employer contends that the Employee did not qualify for life insurance as a disabled miner under Eligibility, Disabled Employees, as described in the Employees Benefit Plan Booklet. (These provisions are similar to Article II C (1), (2) and (3) of the 1974 Benefit Plan and Trust, as amended). In addition, the Employer contends that the Employee was not eligible for continuation of coverage from date last worked to date of death as he was not eligible for sickness and accident disability benefits and had not worked 2000 hours during the 24-month period prior to his death. (These provisions are contained in the Termination of Benefits section of the Employer's Benefit Plan Booklet and are similar to Article III E (1) (a) (b) of other Employer Plans established pursuant to Article XX of the NBCWA of 1978).

Pertinent Provisions

The following are attached:

- (1) Page 4 of Employee Benefits Plan Booklet (Eligibility)
- (2) Article II C of Employer Benefit Plans established pursuant to Article XX of the NBCWA
- (3) Page 8 of Employee Benefits Plan Booklet (Termination of Benefits)
- (4) Article III E (1) (a) (b) of Employer Benefit Plans established pursuant to NBCWA of 1978.

Discussion

The Employee does not qualify for life insurance benefits as a disabled miner under guideline (1) as described on page (4) of the Employers Benefit Plan Booklet (Article II C (1)) as he had not completed 20 years of service and was not receiving Social Security Disability Benefits; he does not qualify under guideline (2) (Article II C (2)) as he was not totally disabled due to a compensable disability and within four years of the date he would be eligible for a pension under the 1974 pension Plan and he does not qualify under guideline (3) (Article II C (3)) as he was not receiving Sickness and Accident Benefits at the time of his death.

As provided in the Termination of Benefits section described on page (8) of the Employer's Benefit Plan Booklet (Article III E (1)(a) and (b) of Employers' plans established pursuant to Article XX of the NBCWA of 1978) life insurance coverage terminates 30 days from last work date if the Employee is laid off or disabled, had worked less than 500 hours within the 24-month period prior to his last work date, and is not eligible for Sickness and Accident Benefits. Since the Employee had worked only 15 days within this 24-month period preceding his last work date, for a total of 120 hours, and since he was not eligible for Sickness and Accident Benefits, his life insurance coverage under the Employers Benefit Plan terminated on September 14, 1978, thirty days after his last work date.

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The Trustees are of the opinion that the Employer is not responsible for payment of life insurance benefits to the surviving spouse of the deceased Employee under the terms of the Employer's Benefit Plan.