

OPINION OF TRUSTEES

In Re

Complainant: Pensioner
Respondent: Employer
ROD Case No: 74 - March 17, 1980

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 health and other non-pension benefits for the Pensioner and his dependents by his last Employer.

Background Facts

The Complainant was injured on January 12, 1976 while working in a classified job for the Respondent Employer; he has not worked since that date. The Complainant subsequently was authorized a Disability Pension under the 1974 Pension Plan effective February 1, 1976. The Employer has refused to provide health and life insurance benefits for the Pensioner and his dependents under the terms of the NBCWA of 1978, effective March 27, 1978. The Employer elected to provide benefits for its eligible employees and retired Employees effective June 1, 1978.

Dispute

Is the Employer responsible for providing health and life insurance benefits for the Pensioner and his dependents?

Positions of the Parties

Position of the Pensioner: The Pensioner believes he is eligible for coverage as he is drawing a Disability Pension based on his January 1976 injury.

Position of the Employer: The Employer is under the impression that injured Employees and those who retired under the contract in effect prior to March 27, 1978, would receive their benefit coverage through the UMWA.

Pertinent Provisions

- (1) Article XX (c)(3)(i) of the NBCWA of 1978, which provides that effective June 1, 1978 (unless elected as of the effective date of the Agreement), each signatory Employer shall establish an Employee benefit plan to provide health and other non-pension benefits for its Employees covered by the Agreement as well as pensioners under the 1974 Pension Plan and Trust whose last classified employment was with the Employer.
- (2) Article XX (c)(3)(iii) of the NBCWA of 1978, which provides that the 1974 Benefit Plan and Trust shall continue after May 31, 1978 for the sole purpose of providing health and other non-pension benefits to any retired miner under the 1974 Pension Plan who would case to receive benefits because the signatory Employer from which he retired is no longer in business.
- (3) Article II B of the Employer's benefit plan, which provides that health benefits and life insurance shall be provided to any Pensioner (with certain exceptions not here relevant) who is receiving pension benefits under the 1974 Pension Plan; it further provides that health benefits shall not be provided for any month in which the Pensioner earns more than \$200.
- (4) Article II C of the Employer's benefit plan, which provides that "in addition to disabled Pensioners who are receiving pension benefits and are therefore entitled to receive health benefits under paragraph B of this Article II..." etc.

Discussion

The wording of both the 1978 Agreement, as contained in Article XX (c)(3), and the Employer benefit plan, as contained in Articles II B and II C, make clear the obligation of signatory Employers to provide benefit coverage for 1974 Plan pensioners whose last classified employment was with the Employer. There is no indication whatever that the group of 1974 Plan pensioners covered for benefits would include only those who retired on pension after the effective date of the Agreement.

With respect to the Employer's impression that 1974 Plan pensioners who retired before the effective date of the Agreement would receive coverage from the UMWA, the 1974 Benefit Plan and Trust, administered by the UMWA Health and Retirement Funds provides coverage only for those 1974 Plan pensioners whose last signatory Employers are no longer in business. This coverage is also provided regardless of the retirement date of the pensioners.

Opinion of the Trustees

The Trustees are of the opinion that the Respondent Employer is responsible for providing health benefit and life insurance coverage for the pensioner and his dependents in accordance with the terms of the benefit plan established pursuant to the NBCWA of 1978, with coverage to become effective June 1, 1978.