

OPINION OF TRUSTEES

In Re

Complainant: Pensioner
Respondent: Employer
ROD Case No: 273, January 26, 1982

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 about an individual Pensioner's eligibility for health and other non-pension benefits from the effective date of his service pension and the Employer's responsibility to provide these benefits under the terms of the Employer's Benefit Plan and hereby render their opinion on the matter.

Background Facts

The Complainant was discharged from his classified job by the Employer on April 2, 1980. Following his discharge the Complainant obtained his own medical coverage.

Complainant applied for a 1974 Plan pension on January 5, 1981. His pension was approved on July 6, 1981, effective January 1981. Notice of approval of the pension was furnished the Employer on August 10, 1981.

The Employer has provided the Complainant with health and other non-pension benefits since July 1, 1981.

Dispute

Is the Employer responsible for providing health and other non-pension benefits for the Complainant from the effective date of the pension, and, if so, is the Complainant entitled to reimbursement of the insurance premiums he paid from January 1, 1981, to July 1, 1981?

Position of the Parties

Complainant's Position: He claims that the Employer is responsible for providing him with health benefits from the effective date of his pension, and that he is entitled to reimbursement of the insurance premiums that he paid.

Employer's Position: There is no provision for the Employer to provide benefits to a retired employee prior to the Employee's being notified that the Funds approved the applicant's pension.

Pertinent Provisions

Article II, B of the Employer's Benefit Plan in effect at the time of this dispute provides as follows:

"Health benefits and life insurance under article III hereof shall also be provided to any Pensioner who is receiving pension benefits under the 1974 Pension Plan, or any successor thereto, provided that (i) the Pensioner is not receiving a pension based in whole or in part on years of service credited under the terms of Article II C of the 1974 Pension Plan, or any corresponding paragraph of any successor thereto, or (ii) that the Pensioner is not receiving a deferred vested pension based on less than 20 years of credited service. Notwithstanding (i) and (ii) immediately above, any such Pensioner who is eligible for benefits under the 1974 Benefit Plan as a Pensioner on December 5, 1977, shall be eligible for such benefits, subject to all other provisions of this Plan. Health benefits shall not be provided for any month in which the Pensioner earns more than \$200."

Health Benefits Q&A H-36 provides as follows:

"Question: What is the effective date for health benefits where eligibility results from pension eligibility?

"Answer: The effective date for health benefits is the first day of the month for which pension payments begin. For example, if an applicant becomes pension eligible on June 15, 1979, and he receives his first pension check for the month of July 1979, the effective date for his health benefits is July 1, 1979."

Discussion

This dispute concerns the period from January 1, 1981 to July 1, 1981, when the Employer did not provide benefits for the Pensioner and his dependents.

Article II, B of the Employer's Benefit Plan and Eligibility Q&A H-36 clearly indicate that the Pensioner became eligible for benefits on the day his pension from the Funds became effective, January 1, 1981.

The Pensioner also asks whether, in the event it is determined that the Employer is responsible for the provision of benefits from the effective date of his pension, the Employer must reimburse him for the insurance payments that he made for the period January 1, 1981, to July 1, 1981. The terms of the Employer's Plan do not address this issue. Therefore, inasmuch as the exemption granted to the Trustees by the United States Department of Labor only authorizes them to resolve disputes pertaining to the nature of benefits and questions of eligibility arising under the terms of the Employer's Benefit Plan, the Trustees may not render an opinion on this issue.

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The Trustees are of the opinion that the Employer is responsible for the provision of health and other non-pension benefits for the Pensioner and his dependents commencing January 1, 1981.