

OPINION OF TRUSTEES

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In Re

Complainant: Employee  
Respondent: Employer  
ROD Case No: 81-198, May 31, 1983

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 benefits coverage for the Employee by the Employer under the terms of the Employer's Benefit Plan and hereby render their opinion on the matter.

Background Facts

The Complainant went to work on April 26, 1982 and was laid off on May 19, 1982, after he had worked less than 500 hours. The Complainant discovered that, although the Respondent had provided him with a health benefits card, the insurance carrier refused to pay health services charges incurred by his dependent because the Respondent did not pay premiums for him during the period April 26, 1982 to August 1, 1982.

Upon being furnished with a copy of the Complainant's Request for Advisory Opinion, the Respondent submitted a copy of a document which indicated that the Complainant had agreed to work for the Respondent without benefits coverage. However, the Complainant denied that he had signed such a statement.

The Complainant was recalled by the Respondent on August 2, 1982 and worked until November 5, 1982, when he was laid off again. From April 26, 1982 through November 5, 1982, the Complainant worked more than 500 hours for the Respondent. However, the Respondent provided him with benefits coverage (through the company owning the coal rights), from August 2, 1982 through December 31, 1982.

The Complainant has been working for the Respondent again, at a different location and under a different company name, since March 14, 1983.

Dispute

Is the Respondent responsible for the provision of benefits coverage for the Complainant and, if so, during which periods?

Positions of the Parties

Position of Complainant: The Respondent should pay the health services charges which were incurred by him or his dependents during his periods of eligibility and provide benefits coverage for the period of eligibility that has not ended.

Position of Respondent: Respondent submitted a copy of a statement, allegedly signed by the Complainant, which released the Respondent from providing benefits coverage.

Pertinent Provisions

Article I. (1), (2), and (4) of the Employer's Benefit Plan provides:

Article I - Definitions

- (1) "Employer" means (name of company)
- (2) "Wage Agreement" means the National Bituminous Coal Wage Agreement of 1981, 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. (3) of the Employer's Benefit Plan provides:

Article II - Eligibility

The persons eligible to receive the health benefits pursuant to Article III are as follows:

A. Active Employees

Benefits under Article III shall be provided to any Employee who:

(3) Except as provided in paragraph (2) above, any Employee of the Employer who is not actively at work for the Employer on the effective date of the Wage Agreement will not be eligible for coverage under the Plan until he returns to active employment with the Employer.

Article III. D. (1)(a) and (e) of the Employer's Benefit Plan provides:

### Article III - Benefits

#### D. General Provisions

##### (1) Continuation of Coverage

###### (a) Layoff

If an Employee ceases work because of layoff, continuation of health, life and accidental death and dismemberment insurance coverage is as follows:

Number of Hours Worked for the Employer in the 24 Consecutive Calendar Month Period Immediately Prior to the Employee's Date <u>Last Worked</u>	Period of Coverage Continuation <u>from the Date Last Worked</u>
2,000 or more hours	Balance of month plus 12 months
500 or more but less than 2,000 hours	Balance of month plus 6 months
Less than 500 hours	30 days

###### (e) Quit or Discharge

If an Employee quits or is discharged, health, life and accidental death and dismemberment insurance coverage will terminate as of the date last worked.

Article XX, Section (c)(3)(i) of the National Bituminous Coal Wage Agreement of 1981 provides:

#### Section (c) 1974 Plans and Trusts

(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....

### Discussion

The Complainant worked less than 500 hours for the Respondent during the period April 26, 1982 through May 19, 1982. Therefore, he was eligible for benefits coverage during his employment plus 30 days after his date last worked and coverage should be provided through June 18, 1982, based on this period of employment. His total hours worked for the Respondent as of November 5, 1982, exceeded 500 hours. Therefore, Complainant was eligible for benefits coverage while employed (August 2, 1982 to November 5, 1982) and for the balance of November plus 6 months, November 5, 1982 through May 31, 1983. However, because he returned to work for the Respondent on March 14, 1983, his period of eligibility should be continuous from August 2, 1982 to May 1, 1983, and should extend beyond this date while employed and for a period to be determined as of the last date he works for the Employer.

Opinion of the Trustees

The Trustees are of the opinion that the Respondent is responsible for the provision of benefits coverage for the Complainant and his eligible dependents during the periods April 26, 1982 through June 18, 1982 and August 2, 1982 through March 14, 1983. Complainant's eligibility for benefits coverage beyond March 14, 1983 should be determined under the Employer's Benefit Plan. The Trustees also note that, even if they were to assume that the Complainant had, in fact, signed the statement waiving benefits coverage, such a statement would not relieve the Respondent of his obligation under the Employer's Benefit Plan to provide coverage.