
OPINION OF TRUSTEES

In Re

Complainant: Employee
Respondent: Employer A
ROD Case No: 81-276 - July 25, 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 an Employer's responsibility to provide benefits coverage for a laid-off Employee under the terms of the Employer's Benefit Plan and hereby render their opinion on the matter.

Background Facts

The Complainant, a long-time Employee of the Respondent, Employer A, was laid off on July 32, 1982. He had worked more than 2,000 hours during the 24 consecutive calendar month period immediately prior to his date last worked. On August 26, 1982 he was employed by Employer B and worked 700 hours for that Employer before he was laid-off December 17, 1982.

The Complainant claim that he notified Employer A, through a personal visit, that he been hired by Employer B and again after he was laid-off by Employer B. However, the Respondent claims that the Complainant did not notify it of his being hired or laid-off by Employer B. The Respondent claims that it was informed, through a casual conversation, that the Complainant had worked for Employer B. Based on the information from the Respondent, it terminated the Complainant's benefits coverage effective April 27, 1983.

Dispute

Is the Respondent responsible for the provision of benefits coverage for the Complainant and his eligible dependents for the remainder of his continuation of period?

Positions of the Parties

Position of Complainant's Representative: Proper notice was given to the Respondent of Complainant's work and lay-off by Employer B.

Position of Respondent: The Employer's Benefit Plan states in part, "It Is the obligation of the Employee to notify the Employer within 10 days by certified mail of both the acceptance and termination of such employment; failure to provide such notice will result in permanent termination of coverage."

Pertinent Provisions

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

Article I - Definitions

The following terms shall have the meanings herein set forth:

- (1) "Employer" means (coal 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 Employee, eligible to receive benefits hereunder.

Article II A(1) 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:

- (1) is actively at work* for the Employer on the effective date of the Wage Agreement; or

*"Actively at work" includes an Employee of the Employer who was actively at work on March 26, 1981, and who returns to active work with the Employer within two weeks after the effective date of the Wage Agreement.

Article III 1 (a), (f) 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:

Numbers of Hours Worked for the Employer In the 24 Consecutive Calendar Month	Period of Coverage Period Immediately Prior to <u>the Employee's Date Last Worked</u>	Continuation from <u>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	plus 6 months	Balance of month
Less than 500 hours		30 days

(f) Other Employment

Notwithstanding the foregoing, In the event an Employee accepts employment during a period of continued coverage under paragraph (a), health, life and accidental death and dismemberment Insurance coverage will terminate as of the date of such employment. If, however, such employment subsequently terminates prior to the date the Employee's coverage under paragraph (a) otherwise terminates, such Employee's health, life and accidental death and dismemberment insurance coverage will be reinstated following the later of (i) termination of such employment or (ii) any continued health coverage resulting therefrom, and will continue to the date such coverage under paragraph (a) would have otherwise terminated. It Is the obligation of the Employee to notify the Employer within 10 days by certified mail of both the acceptance and termination of such employment: failure to provide such notice will result in permanent termination of coverage. Nothing In this paragraph shall extend coverage beyond the date determined pursuant to paragraph (a).

Discussion

Under Article III D. (f) of the Employer's Benefit Plan, an Employee who accepts employment with another employer during a period of continuation of coverage must notify the Employer by certified mail within 10 days of the acceptance and termination of such Employment. If the Employee does not provide such notice, any continuation of coverage for which he may be eligible from the Employer permanently terminates.

Inasmuch as the Complainant did not provide notice to the Respondent by the method required in the Employer's Benefit Plan, the Respondent is not responsible to provide him with benefits coverage for the remainder of the continuation of coverage period.

Opinion of the Trustees

The Trustees are of the opinion that the Respondent is not responsible for the provision of benefits coverage for the remainder of the Complainant's continuation of coverage period.