

March 28, 1984

(Opinion issued in letter form; name and address deleted)

Re: Opinion of Trustee
Resolution of Dispute
Case No. 81-392

Pursuant to Article IX, of the United Mine Workers of 1950 Benefit Plan and Trust, and under the authority of an exemption granted by the United States Department of Labor, the Trustees have reviewed our Request for Resolution of Dispute concerning health benefits coverage for a laid-off employee, and hereby render their opinion in this matter.

You worked for the Employer from February 1979 until you were laid off in December 1982. Your health benefits coverage ceased in July 1983. You had worked for the Employer more than 2,000 hours during the 24-month period prior to being laid off, and claim to be entitled to health benefits coverage through December 1983. Although the Employer ceased its coal mining operations where you were employed, you contend that it is not out of business, and is responsible for the provision of your health benefits.

It is the position of the Employer's representative that the 1981 Wage Agreement does not require an employer which has ceased operations to provide health benefits. The Employer's representative claims that a separate signatory company, with a name similar to the Employer's, is still operating in another state.

Under Article XX (c) (3) (i) of the National Bituminous Coal Wage Agreement of 1981, a signatory employer is obligated to provide health benefits coverage during the term of the Wage Agreement. Article III.D. of the Employer's Benefit Plan provides that, if an employee ceases work because of layoff, the employer will provide health benefits coverage for a period based on the number of hours the employee worked for the employer during the 24-month period prior to the date last worked. An employee with more than 2,000 hours worked during the 24-month period is entitled to health benefits coverage for the remainder of the month last worked plus 12 months.

According to Funds auditors, the Employer is one corporation which operated mine sites in separate states. Although the mine site where you worked ceased operations in April 1983, the other mine site continues to operate. The Employer is therefore responsible for providing health benefits coverage to its laid-off employees. The Trustees conclude that the Employer is responsible for providing your health benefits coverage through December 1983.

Sincerely,

Harrison Combs, Chairman

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John J. O'Connell, Trustee

Paul R. Dean, Trustee