

February 29, 1984

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

Re: Opinion of Trustees
Resolution of Dispute
Case No. 81-396

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 continuation of coverage for laid-off Employees by the Employer under the terms of the Employer's Benefit Plan.

According to the information provided, the Employer first became signatory to a National Bituminous Coal Wage Agreement ("Wage Agreement") when it signed the 1981 Wage Agreement on October 1, 1982. The Employees were employed in classified positions under that Agreement for various numbers of hours from that date through their last date worked, October 24, 1983.

The Employer subsequently advised the Employees that the continuation of health benefits coverage under the Employer's Benefit Plan would be provided for each of them based upon the number of classified hours they had worked during the period the Employer was signatory to the Wage Agreement. The Employer, however, has refused credit for any hours worked prior to October 1, 1982.

In Question and Answer #228, attached hereto, the Trustees addressed the question whether hours worked for an Employer prior to the date the Employer became signatory to the Wage Agreement should be considered for the purposes of calculating periods of benefit coverage. It was concluded that only those hours worked subsequent to the date the Employer became signatory to the Wage Agreement should be considered.

Inasmuch as the Employer first became signatory to the Agreement effective October 1, 1982, the provision of health benefits coverage subsequent to the Employees' date last worked must be calculated based on the number of hours worked for the Employer during the period October 1, 1982 through October 24, 1983.

Sincerely,

Harrison Combs, Chairman

John J. O'Connell, Trustee

Paul R. Dean, Trustee

Subject: HEALTH BENEFITS; Active Miners (Layoff)
Reference: (74B) II A

- Q. A non-signatory coal company signs the National Bituminous Coal Wage Agreement on August 22, 1975. At this time all employees have been regularly employed and worked more than 2,000 hours in the preceding 24 months. The mine is closed and all employees laid off November 14, 1975. In determining the period miners are eligible for Health Benefits, following layoff, do Funds use hours worked during 24 months prior to layoff or beginning with date company became signatory to NBCWA?
- A. The date company became signatory to NBCWA.