

OPINION OF TRUSTEES

In Re

Complainants: Employee
Respondent: Employer
ROD Case No: 61-416 - May 29, 1984

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 Employer's responsibility for providing benefits coverage for a laid-off Employee under the terms of the Employer's Benefit Plan. The Trustees hereby render their opinion on the matter.

Background Facts

The Complainant worked 1,366 hours for the Respondent prior to his date last worked, December 21, 1982. His job termination was the result of a lay-off. The Respondent has since sold its mining operations and is in the process of selling its trucking operation.

It is unclear whether the Complainant was ever provided with benefits coverage, as there are many unpaid medical bills incurred during both his period of employment and the months immediately following his lay-off.

Funds' staff sent several letters to, as well as made direct phone contact with, the Respondent in order to obtain its position in this dispute. Although the Respondent advised the staff that it would consider payment of the outstanding medical charges, the Respondent has neither provided written confirmation of any payments authorized nor furnished its position in this dispute.

Dispute

Is the Respondent responsible for the provision of continuation of coverage for the Complainant?

Positions of the Parties

Position of the Complainant: The Complainant should be provided benefits coverage during his period of employment as well as continuation of coverage based on his hours worked.

Position of the Respondent: The Respondent has not furnished its position.

Pertinent Provisions

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

Article I - Definitions

The following terms shall have the meanings herein set forth: (1)

- (1) "Employer" means (coal company).
- (2) "Wage Agreement" means the National Bituminous Coal Wage Agreement of 1981, a's 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:

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

Article III D. (I) (a) 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 Immediately Prior to <u>the Employee's Date Last Worked</u> | Period of Coverage 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 | Balance of month plus 6 months |
| Less than 500 hours | 30 days |

Discussion

Because the Respondent has not furnished its position in this dispute, the Trustees have decided this case based on the information available to them. Article II A. (1) of the Employer's Benefit Plan requires Employers to provide their Employees with benefits coverage during their periods of active employment. The Respondent is therefore responsible for the provision of benefits coverage for the Complainant during his period of active employment.

Article III D. (I)(a) of the Employer's Benefit Plan provides for the continuation of coverage for laid-off Employees based on their hours worked for the Employer in the 24 consecutive calendar month period prior to their dates last worked. Funds' records show that the Complainant had worked 1,366 hours for the Respondent in the 24 month period immediately prior to his date last worked, December 21, 1982. He is, therefore, eligible for benefits coverage, as a laid-off Employee, for the period December 11, 1982, through June 30, 1983.

Opinion of the Trustees

The Respondent is responsible for the provision of benefits coverage for the Complainant and his eligible dependents during the Complainant's period of active employment with the Respondent and during his period of lay-off through June 30, 1983.