
OPINION OF TRUSTEES

In Re

Complainants: Disabled Pensioner
Respondent: Employer
ROD Case No: 81-419 - March 26, 1984

Board of Trustees: Harrison Combs, Chairman; John J. O'Connell, Trustee; Paul R. Dean, Trustees.

Pursuant to Article IX of the United Mine Workers of America ("UMWA") 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 health benefits coverage for a disabled Pensioner by the Employer under the terms of the Employer's Benefit Plan and hereby render their opinion on the matter.

Background Facts

The Complainant's last classified signatory employment in the coal industry was for the Respondent on July 17, 1979. On that date, the Complainant sustained a work-related injury. The Complainant filed for Social Security Disability Insurance ("SSDI") benefits under Title II of the Social Security Act on February 17, 1981. His application was approved on October 20, 1981, effective July 17, 1979.

The Complainant filed an application for disability pension benefits under the UMWA 1974 Pension Plan on January 4, 1983. On September 9, 1983, the Complainant was advised by letter that the Funds had reviewed his work history and, on the basis of his 6 1/2 years of credited service, combined with his age (under 55), and evidence that he was awarded SSDI benefits, it had been determined that he was eligible for a disability pension from the Funds, retroactive to August 1, 1979. He was advised to contact his last signatory employer, the Respondent, concerning the provision of health benefits coverage as a disabled pensioner. The Respondent also received a copy of that letter but has not provided the Complainant with health benefits coverage.

Question of Dispute

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

Position of the Parties

Position of the Complainant: The Complainant asks that his health benefits coverage be reinstated by the Respondent.

Position of the Respondent: The Respondent denies responsibility for the Complainant's health benefits as it contests the fact that the Complainant is disabled and entitled to a SSDI Award.

Pertinent Provisions

Article I (1), (2) and (5) of the 1978 Employer's Benefit Plan provide:

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 1978, as amended from time to time and any successor agreement...
- (5) "Pensioner" shall mean any person who is receiving a pension, other than a deferred vested pension based on less than 20 years of credited service, under the United Mine Workers of America 1974 Pension Plan (or any successor thereto) whose last classified signatory employment was with the Employer.

Article I (1), (2) and (5) of the 1981 Employer's Benefit Plan provide:

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...
- (5) "Pensioner" shall mean any person who is receiving a pension, other than (i) a deferred vested pension based on less than 20 years of credited service or, (ii) a pension based in whole or in part on years of service credited under the terms of Article II G of the 1974 Pension Plan, or any corresponding

paragraph of any successor thereto, under the 1974 Pension Plan (or any successor thereto), whose last classified signatory employment was with the Employer, subject to the provisions of Article II B of this Plan.

Article II B. of the 1978 Employer's Benefit Plan provides:

B. Pensioners

Health benefits and life insurance under Article III hereof shall also be provided to any Pensioner who is receiving pension benefits under the 1974 Pension Plan, or any successor thereto, provided that (i) the Pensioner is not receiving a pension based in whole or in part on years of service credited under the terms of Article II G of the 1974 Pension Plan, or any corresponding paragraph of any successor thereto, or (ii) that the Pensioner is not receiving a deferred vested pension based on less than 20 years of credited service. Notwithstanding (i) and (ii) immediately above, any such Pensioner who was eligible for benefits under the 1974 Benefit Plan as a Pensioner on December 5, 1977, shall be eligible for such benefits, subject to all other provisions of this Plan. Health benefits shall not be provided for any month in which the Pensioner earns more than \$200.

Article II B. (1) of the Employer's Benefit Plan provides:

Article II - Eligibility

B. Pensioners

Health benefits and life insurance under Article III hereof shall be provided to Pensioners as follows:

- (1) Any Pensioner who is not again employed in classified signatory employment subsequent to
 - (a) such Pensioner's initial date of retirement under the 1974 Pension Plan, and
 - (b) June 7, 1981,

shall be eligible for coverage as a Pensioner under, and subject to all other provisions of this Plan. Notwithstanding (i) and (ii) of the definition of Pensioner in Article I (5) of this Plan, any such Pensioner who was eligible for benefits under the 1974 Benefit Plan as a Pensioner on December 5, 1977, shall be eligible for such benefits, subject to all other provisions of this Plan.

Discussion

Article II B. of the 1978 and 1981 Employer's Benefit Plans establishes that an individual eligible for disability pension benefits under the UMWA 1974 Pension Plan is eligible for benefits coverage under the Employer's Benefit Plan. The Complainant was awarded a UMWA 1974 Pension Plan disability pension on September 9, 1983, retroactive to August 1, 1979. Based on this fact, the Complainant satisfies the benefits coverage eligibility requirements of Article II B. of the Employer's Benefit Plan.

Nevertheless, the Respondent denies responsibility for the Complainant's benefits coverage. The Respondent claims that, although the Complainant has received an SSDI award, he is not disabled and, therefore, does not satisfy the eligibility requirements of the UMWA 1974 Pension Plan. As the Complainant has been awarded a disability pension from the UMWA 1974 Pension Plan, he must be considered a Pensioner within the meaning of Article II B. of the Employer's Benefit Plan. Consequently, the Complainant is eligible for benefits coverage under the Employer's Benefit Plan.

Opinion of the Trustees

The Complainant meets the requirements of eligibility as provided by Article II B. of the Employer's Benefit Plan. Therefore, the Respondent is responsible for the provision of health benefits coverage for the Complainant and his eligible dependents, effective August 1, 1979, for as long as the Complainant continues to satisfy those requirements.