

Opinion of Trustees  
Resolution of Dispute  
Case No. 81-490  
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December 17, 1984

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

Re: Opinion of Trustees  
Resolution of Dispute  
Case No: 81-490

Pursuant to the 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 your Request for Resolution of Dispute concerning the provision of health benefits coverage for you as a 1974 Plan Pensioner and for your eligible dependents.

Evidence in file indicates that you were suspended with intent to discharge by the Employer on September 8, 1980. Your discharge as of that date was subsequently upheld through grievance and arbitration proceedings.

It is the position of the Employer that your eligibility for health benefits coverage terminated on September 8, 1980, the date you were discharged from employment. The Employer also disputes your credited service under the 1974 Pension Plan, alleging that you have earned less than twenty years of service and are, therefore, ineligible for health benefit coverage.

This dispute raises questions concerning your eligibility both as an Employee and as a Pensioner; the Plan provisions which apply to each class of participants will be addressed herein.

Article III (D) (1) (e) of the Employer's Benefit Plan specifies that, if an Employee quits or is discharged, health, life and accidental death and dismemberment insurance coverage will terminate as of the date last worked. Therefore, the Trustees are of the opinion that your Employer terminated your benefits coverage as an Employee in accordance with the provisions of the Plan.

With regard to your entitlement to benefits coverage as a Pensioner, Article II (B) of the Employer's Benefit Plan states that health benefits and life insurance will be provided to Pensioners. Article I (5) of the Plan defines "Pensioner" as "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 or the 1974 Pension Plan ... whose last classified signatory employment was with the Employer...."

The Funds records show that you were awarded a 1974 Pension Plan Deferred Vested Pension, effective September 1, 1981, based on 21 1/4 years credited service. The Employer has alleged,

however, that you have less than twenty years of service under the 1974 Pension Plan. No evidence was submitted to support this allegation. Nevertheless, in keeping with the Funds' obligation to police and monitor the eligibility roles of beneficiaries, the Funds' staff reviewed your pension case file and has determined that your pension application was processed and audited in accordance with established procedures. You were awarded 21 1/4 years of credited service based on credible documentary evidence of your coal industry employment and military service.

Inasmuch as your last classified signatory service was with the Employer, and because you are receiving a 1974 Plan Deferred Vested Pension based on more than twenty years of credited service, you meet the requirements of Article I (5) and Article II (B) of the Employer's Benefit Plan regarding provision of health and other non-pension benefits to Pensioners. Although the Employer denies responsibility for provision of benefits coverage in part because of the manner in which your classified employment terminated, the Plan contains no such restriction on a Pensioner's entitlement to receive such coverage.

Therefore, the Trustees are of the opinion that the Employer is responsible to provide these benefits to you and your eligible dependents for the period beginning September 1, 1981, the effective date of your 1974 Plan pension.

Sincerely,

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Harrison Combs, Chairman

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Joseph Brennan, Trustee

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William Miller, Trustee

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Paul R. Dean, Trustee