
OPINION OF TRUSTEES

In Re

Complainant: Pensioner
Respondent: Employer
ROD Case No: 81-492 - September 24, 1984

Board of Trustees: Harrison Combs, Chairman; John J. O'Connell, Trustee; Paul A. 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. The dispute concerns provision of benefits coverage for a Pensioner by the Employer under the terms of the Employer's Benefit Plan. The Trustees hereby render their opinion on the matter.

Background Facts

The Complainant was injured while performing classified work for the predecessor company to the Respondent on June 11, 1980. The State Workers' Compensation Board determined that he was 100% occupationally disabled apportioned as follows: "(a) The plaintiff suffered no active occupational disability prior to June 11, 1980. (b) Solely as a result of the work-related injury of June 11, 1980, the plaintiff is occupationally disabled to the extent of 50% to the body as a whole. (c) Prior to June 11, 1980, the plaintiff had a dormant, non-disabling disease or condition, which was aroused or brought into disabling reality to the extent of 50% to the body as a whole."

The Complainant was awarded Social Security Disability Benefits under Title II of the Social Security Act and, based on the injury of June 11, 1980, is receiving a disability pension from the 1974 Pension Plan, effective July 1, 1981.

The Respondent has not provided benefits coverage for the Complainant after he became a Pensioner.

Dispute

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

Positions of the Parties

Position of Complainant: The Complainant claims that he is eligible for benefits coverage because he is a Pensioner.

Position of the Respondent: The Respondent claims that the Complainant is no longer permanently disabled. Therefore, he is not eligible for a pension or for benefits coverage under the Employer's Benefit Plan. The Respondent also claims that it has a right to participate in the eligibility determination of the Complainant's application for a 1974 Plan Disability Pension.

Pertinent Provisions

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

Article II - Eligibility

The persons eligible to receive the health benefits pursuant to Article III are as follows:

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.

Article VIII A. of the 1974 Pension Plan provides:

Article VIII - Miscellaneous

A. Determination of Eligibility.

The Trustees or such other named fiduciaries as may be properly designated shall have full and final determination as to all issues concerning eligibility for benefits.

Article XX (g) (3) of the NBCWA of 1981 provides:

Article XX (g.) Administration of Trusts

(3) The Trustees shall police and monitor the rolls of those entitled to benefits from the Trusts. On at least a quarterly basis, the Trustees shall have available a complete listing of current beneficiaries, Identified by UMWA district and local union jurisdiction, if applicable. The Trustees shall promptly investigate and determine the eligibility or ineligibility of any beneficiary whose rights to receive benefits from the Trusts has been challenged by an Officer of the International, District or Local Union or by any Employer. In the event that a beneficiary or beneficiaries shall be determined to be ineligible for health care or other benefits, the Trustees shall take prompt action to correct the situation.

Discussion

Article II. B. of the Employer's Benefit Plan 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 Retirement effective July I, 1981. Based on this fact, the Complainant satisfies the benefits coverage eligibility requirements of Article II. B.

The Respondent, the successor company of the Complainant's last Employer, has denied responsibility for the Complainant's benefits coverage. The Respondent claims that, although the Complainant is receiving Workers' Compensation Benefits, he should not be considered disabled from a work related injury because a majority of his disability is psychiatric in nature.

The Respondent maintains that, because the approval of the Complainant's disability pension application obligates the Respondent for a substantial financial liability, namely the cost of providing health and other non-pension benefits to the Complainant, the Respondent has an inherent right to participate in the eligibility determination process. The Respondent has specifically requested a medical reevaluation by one or more physicians not previously involved with the Complainant's case.

The National Bituminous Coal Wage Agreements of 1981, to which Respondent is signatory, provides that, "The Trustees shall promptly investigate and determine the eligibility or ineligibility of any beneficiary whose rights to receive benefits from the Trusts has been challenged by.... any Employer (Article XX(g)(3)). The Wage Agreement does not, however, establish any role for the Employer in eligibility determination. To the contrary, the 1974 Pension Plan, which is incorporated by reference into the Wage Agreement, explicitly states that the Trustees or such other named fiduciaries as may be properly designated shall have full and final authority in making the determination as to all issues concerning eligibility for benefits.

The Complainant's application for a 1974 Plan Disability Pension was processed and approved by the Funds' staff in accordance with normal procedures. The Complainant's pension case file was reviewed by the Funds' Clinical Services Department subsequent to the initial approval of his pension. This review resulted in confirmation of the Complainant's eligibility to receive a 1974 Pension Plan Disability Pension under the provisions of Article II. D. of that Plan.

Inasmuch as the Complainant meets the eligibility requirements of Article II. B. of the Employer's Benefit Plan, the Respondent is responsible to provide benefits coverage for the Complainant and his eligible dependents.

Opinion of the Trustees

The Trustees are of the opinion that the Respondent is responsible for the provision of health and other non-pension benefits to the Complainant and his eligible dependents as provided by the Employer's Benefit Plan.