

OPINION OF TRUSTEES

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In Re

Complainant: Disabled Employee  
Respondent: Employer  
ROD Case No: 81-494 - December 17, 1984

Board of Trustees: Harrison Combs, Chairman; Joseph P. Brennan, Trustee; William Miller, Trustee; Paul R. Dean, Trustee.

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 Employee by the Employer under the terms of the Employer Benefit Plans 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 September 21, 1978, when he ceased his employment due to illness. A review of the hours reported on his behalf by the Respondent indicated he had worked more than 2,000 hours for the Respondent during the 24 month period immediately prior to his date last worked. He received Sickness and Accident (S&A) benefits during the period September 28, 1978, to November 28, 1978. Effective June 1, 1979, six months after his S&A benefits terminated, he became eligible for Social Security Disability Insurance Benefits ("SSDI") under Title II. On April 21, 1980, the Respondent terminated the Complainant's benefits coverage under the Employer Benefit Plans (Employer Plans).

The Complainant filed an application for pension benefits under the UMWA 1974 Pension Plan on December 19, 1980, to establish his eligibility for health benefits as a disabled miner. On November 13, 1981, his application was denied because he failed to submit evidence of twenty years of classified service and because he had not become totally disabled within four years of the date he would be eligible to receive a 1974 Plan pension. In April 1984, additional information concerning his work history was received by the Funds. On July 5, 1984 he was advised by letter that the Funds had reviewed his work history and, on the basis of his 20 years of credited service, combined with his age (under 55), and evidence that he was awarded SSDI benefits, it had been determined that he may be eligible for health benefits coverage as a disabled

miner. He was advised to contact his last signatory employer, the Respondent, which also received a copy of that letter.

On August 17, 1984, the Respondent reinstated the Complainant's benefits coverage under the Employer Plan. The Complainant's Representative has stated, however, that the Respondent has refused to provide retroactive coverage for the Complainant for the interim period from April 1980 through August 1984.

### Dispute

Is the Respondent responsible for the provision of health benefits coverage for the Complainant and his eligible dependents for the period following termination of such coverage in April 1980, through the date of reinstatement in August 1984?

### Position of the Parties

Position of the Complainant: The Complainant asks that his health benefits coverage be reinstated retroactive to the date such coverage was terminated.

Position of the Respondent: The Respondent has stated that it does not have a copy of the applicable national bituminous coal wage agreements and, therefore, does not know whether it is responsible for providing the Complainant's coverage.

### Pertinent Provisions

Article I. (1), (2), (4), and (9) of the Employer Benefit Plans provide:

#### Article I - Definitions

The following terms shall have the meanings herein set forth:

1. "Employer" means (name of company).
2. "Wage Agreement" means the National Bituminous Coal Wage Agreement of 1981, as 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....
9. "Signatory Service" shall have the meaning assigned to such term in the United Mine Workers of America 1974 Pension Plan (the "1974 Pension Plan") or any successor thereto.

Article II. C. (1) of the Employer Benefit Plans provides:

Article II - Eligibility

C. Disabled Employees

In addition to disabled Pensioners who are receiving pension benefits and are therefore entitled to receive health benefits under paragraph B of this Article II, health benefits under Article III shall also be provided to any Employee who:

- (1) (a) Has completed 20 years of credited service, including the required number of years of signatory service pursuant to Article IV C (6) of the 1974 Pension Plan or any corresponding paragraph of any successor thereto, and
- (b) has not attained age 55, and
- (c) became disabled after December 6, 1974 while in classified employment with the Employer, and
- (d) is eligible for Social Security Disability Insurance Benefits under Title II of the Social Security Act or its successor;

Article III D (1) (a) and (b) of the Employer Benefit Plans provide:

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:

Number of Hours Worked for the Employer in the 24 Consecutive Calendar Month Period Immediately Prior to the Employee's <u>Date Last Worked</u>	Period of Coverage Continuation from the Last <u>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

(b) Disability

Except as otherwise provided in Article II, section C, if an Employee ceases work because of disability, the Employee will be eligible to continue health, life and accidental death and dismemberment coverage while disabled for the greater of (i) the period of eligibility for Sickness and Accident benefits, or (ii) the period as set forth in the schedule in (a) above.

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Discussion

Under Article II.C.(1) of the Employer Benefit Plans, an individual is eligible for benefits coverage if he satisfies the service pension eligibility requirements, except for age, under the UMWA 1974 Pension Plan, became disabled after December 6, 1974, while in classified employment with the Employer, and is eligible for SSDI benefits under Title II of the Social Security Act.

The Complainant satisfies the service pension eligibility requirements of the UMWA 1974 Pension Plan and is not yet age 55. He received an SSDI award effective June 1, 1979 based on his disability from the illness that he suffered while in classified employment with the Respondent. Thus he also meets the requirement of having become disabled after December 6, 1974 while in classified employment with the Employer.

Based on the facts, the Complainant satisfies the eligibility requirements for benefits coverage of Article II C (1) of the Employer Plans. Consequently, the Complainant is eligible for benefits coverage under the Employer Plans as a disabled Employee. The Respondent provided such coverage for the Complainant through April 21, 1980, and reinstated coverage effective August 17, 1984. Therefore, the Respondent is responsible for provision of coverage for the additional intervening period of April 22, 1980 through August 16, 1984.

Opinion of the Trustees

The Respondent is responsible for the provision of benefits coverage for the Complainant and his eligible dependents for the period April 22, 1980 through August 16, 1984.