

October 29, 1984

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

Re: Trustees' Opinion
Resolution of Dispute
Case No: 81-497

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 an Employer's responsibility to provide health and other non-pension benefits to laid-off Employees as prescribed by the terms of the National Bituminous Coal Wage Agreement of 1981 ("Wage Agreement"). The Trustees hereby render their opinion in this matter.

According to evidence submitted by the Employees, including copies of invoices for health care rendered in December 1983, it appears that their former Employer failed to provide them with health benefits coverage in December 1983. The Employees have asked that the Employer be required to pay the outstanding bills for covered health services provided to the Employees and their eligible dependents in December 1983 in accordance with the Employer's Benefit Plan.

The Employer has failed to respond to correspondence from the Funds requesting its position in this dispute. Therefore, the Trustees must decide this dispute based on the available information.

Records maintained by the UMWA Health and Retirement Funds indicate that the Employees worked more than 500 but less than 2,000 hours for the Employer in the twenty-four consecutive calendar month period prior to their date last worked in November 1983. Correspondence received by the Employees from the Employer's health insurance carrier indicates that the Employer terminated health benefits coverage for its employees on November 30, 1983. According to Funds' records, the Employees resumed coal industry employment in January 1984 with another Employer.

For miners on layoff who had worked 500 or more but less than 2,000 hours for the Employer in the 24 consecutive calendar month period immediately prior to their last date worked, Article III D(1) of the Employer Benefit Plans provides for health benefits coverage for the balance of the month plus six months.

Based upon the foregoing facts and circumstances, the Trustees conclude that the Employees were eligible as active employees on layoff to receive health benefits coverage in December 1983 under Article III D(1) of the Employer Benefit Plans.

In a previous administrative action, the Funds determined that the Employer did not satisfy the definition of being "no longer in business" within the meaning of Article II E(4) of the UMWA 1974 Benefit Plan and Trust as had been claimed.

The Trustees conclude, therefore, that the Employer is responsible for paying the outstanding medical bills for services covered under the Employer Benefit Plan which were rendered to the Employees and their eligible dependents in December 1983.

Sincerely,

Harrison Combs, Chairman

John J. O'Connell, Trustee

Paul R. Dean, Trustee