
OPINION OF TRUSTEES

In Re

Complainant: Pensioner
Respondent: Employer
ROD Case No: 81-512 - 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 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 was employed in classified work for the Respondent from August 21, 1975, until February 12, 1977, when he was promoted to a supervisory position. He continued to work for the Respondent in a supervisory capacity until he was laid off on October 18, 1982. He continued to receive severance payments through February 15, 1983.

On March 2, 1984 the Complainant was notified by the Funds that, based on his 20 years of credited service, his pension benefits under the 1974 Pension Plan were approved effective March 1, 1983. He was also notified by the Funds that as a pensioner he may be eligible for benefits coverage from his last employer and was advised to contact the Respondent. The Complainant claims the Respondent has refused to provide him with such benefits coverage.

In response to requests for a statement of its position in this dispute, the Respondent has stated that since the Complainant was last employed in a supervisory position and is entitled to coverage under that benefit plan, it does not believe he is also entitled to coverage under the UMWA negotiated Employer Benefit Plan.

Is the Complainant entitled to benefits coverage as a pensioner under the Employer's Benefit Plan?

Position of the Parties

Position of the Complainant: The Respondent is responsible for providing benefits coverage for the Complainant and his eligible dependents under the terms of the Employer's Benefit Plan.

Position of the Respondent: Because the Complainant's last employment was in a non-classified job and he qualifies for benefits coverage under the supervisory plan, the Complainant is not also entitled to coverage under the UMW Employer's Benefit Plan.

Pertinent Plan Provisions

Article I (5), of the Employer Benefit Plans provides:

Article I - Definitions

The following terms shall have the meanings herein set forth:

- (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 & 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. (1) of the Employer Benefit Plans provides:

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.

Discussion

The Employer Benefit Plans define a Pensioner as any person who is receiving a pension (with certain restrictions not applicable in this case), under the 1974 Pension Plan, whose last classified signatory employment was with the Employer. Under Article II B (1), benefits coverage is provided to Pensioners who are not again employed in classified signatory employment (emphasis added), subsequent to such Pensioner's initial date of retirement under the 1974 Pension Plan and June 7, 1981, subject to all other provisions of the Plan.

As a person receiving a 1974 Plan pension based on 26 1/2 years of service whose last classified signatory employment was with the Respondent, the Complainant satisfies the definition of a Pensioner under the Employer Benefit Plans. In addition, although the Complainant worked in a non-classified position for the Respondent following his classified employment, his last classified signatory employment was with the Respondent. Since his retirement in February 1983, the Complainant has not been employed again in classified signatory employment. Therefore, he satisfies the criteria set forth in Article II B (1) for benefits coverage as a Pensioner effective March 1, 1983, and continuing for so long as he continues to meet the eligibility criteria under the Employer Benefit Plans.

Opinion of the Trustees

The complainant satisfies the requirements of the Employer Benefit Plans for benefits coverage as a Pensioner. Accordingly, the Respondent is responsible for providing such coverage effective March 1, 1983.