

Opinion of Trustees  
Resolution of Dispute  
Case No. 81-545  
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January 28, 1985

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

Re: Resolution of Dispute  
Case No. 81-545

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 your Employer's responsibility to provide health benefits coverage to your parents as eligible dependents of an Employee under the terms of the National Bituminous Coal Wage Agreement of 1981 (Wage Agreement). The Trustees hereby render their opinion on this matter.

You have claimed that your parents are your dependents, and are therefore entitled to health benefits coverage under the Employer's Benefit Plan.

It is the position of your Employer that your parents do not meet the requirements of dependency as set forth in Article II D (3) of the Plan. In support of its position, the Employer submitted copies of dependency questionnaires which you had submitted to it on April 10, 1984. These documents indicate your parents have resided with you since 1974 and that they received Social Security and Black Lung benefit payments for a combined annual income totalling \$14,236.80.

In attempting to obtain all relevant facts in this case for consideration by the Trustees, questionnaires were sent to you on November 19, 1984, and December 10, 1984, requesting more detailed information concerning the support which you provide to your parents.

Information that you submitted to the Funds, including estimates of expenses and cancelled checks supporting and exceeding these estimates, show annual household expenses totalling approximately \$16,233.14. As there are five members in your household, each person's pro-rata portion of these expenses would be approximately \$3,246.62. Additional costs of \$4,004.61 for drugs and clothing are directly attributed as costs to your parents, bringing their total annual household expenses to \$10,497.85 or approximately \$874.82 per month.

In a telephone discussion held January 14, 1985 with a member of the Funds staff, you verified the monthly income figure which you had previously supplied to your Employer showing your parents receive approximately \$1,186.40 in total income from all sources, for a total annual income of \$14,236.80.

Article II D (3) specifies that health benefits under Article III shall be provided to a parent of an eligible Employee, Pensioner or Spouse, if the parent has been dependent upon and living in the same household (residence) with the eligible Employee or Pensioner for a continuous period of

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at least one year. In addition, Question and Answer H-2 (81), attached hereto, states that a parent is considered depending on an eligible Employee if the Employee provides over fifty (50) percent of the parents' support. Support involves, but is not limited to, "the fair rental value of lodging, reasonable cost of board, clothing, miscellaneous household services and education expenditures." It is not limited to necessities and is considered regular if it is provided on a yearly basis.

From the figures presented, it is clear that your parents total annual income exceeds their estimated annual household expenses and, therefore, that you do not provide over fifty (50) percent of their support. Accordingly, the Trustees must conclude that the Respondent is not responsible for the provision of benefits coverage for your parents as specified in Article II D (3) of the Employer's Benefit Plan.

Sincerely,

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Harrison Combs, Chairman

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Joseph P. Brennan, Trustee

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William Miller, Trustee

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Paul R. Dean, Trustee