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## OPINION OF TRUSTEES

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### In Re

Complainant: Disabled Employee  
Respondent: Employer  
ROD Case No: 81-567 - April 29, 1985

Board of Trustees: Joseph P. Connors, Sr., Chairman; Paul R. Dean, Trustee; William B. Jordan, Trustee; William Miller, Trustee; Donald E.- Pierce, Jr., 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 health-benefits coverage for a disabled Employee by the Employer under the terms of the Employer Benefit Plan. They hereby render their opinion on the matter.

### Background Facts

The Complainant performed classified work for the Respondent from December 1970 to August 5, 1983, when he was injured on the job. As a result of the injury, he is receiving a Workmen's Compensation award. The Respondent, who is self-insured, provided the Complainant with health benefits coverage through August 31, 1984, at which time the Complainant was permitted to pay his own insurance premiums to continue his coverage, which he did from September 1984 through December 1984. The Respondent then informed the Complainant that it would not continue to offer him the option of paying to continue his coverage, but that he could file an application for conversion through a specified insurance carrier.

### Dispute

Is the Respondent obligated to provide the Complainant with coverage after August 31, 1984, if the Complainant continues to pay his own insurance premiums?

Position of the Complainant: The Complainant maintains that the Respondent is obligated to allow him to remain as an insured party on its group health insurance policy if he is willing to pay his own premiums.

Position of the Respondent: The Respondent maintains that it has fulfilled its obligation to the complainant by providing him with health benefits coverage to August 31, 1984, and by offering him the conversion privilege.

Pertinent Provisions

Articles I (1), (2) and (4) of the Employer 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....
- (4) "Employee" shall mean a person working in a classified job for the Employer, eligible to receive benefits hereunder.

Articles III D. (1) (b) and (d) and (3) (b) of the Employer Benefit Plan provide:

Article III - Benefits

D. General Provisions

- (1) Continuation of Coverage
  - (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 insurance 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.

- (d) Maximum Continuation of Coverage

In no event shall any combination of the provisions of (a), (b), (c) or (g) above result in continuation of coverage beyond the balance of the month plus 12 months from the date last worked.

- (3) Conversion Privilege

(b) Health Benefits

When health benefits coverage terminates, a Beneficiary may, upon application, convert, without medical examination, to a policy issued by the insurance carrier within 31 days after the coverage terminates. The type of policy, coverage and premiums therefor are subject to the terms and conditions set forth by the insurance carrier.

Discussion

A disabled Employee is entitled to benefits coverage under Article III. D. (1)(b) of the Employer Benefit Plan for the greater of his period of eligibility for sickness and accident benefits or a period based on his hours worked for his Employer. Under Article III. D. (1)(d), this period of coverage cannot extend beyond the balance of the month in which he last worked plus twelve months. Article III D. (3) (b) of the Employer Benefit Plan states that when health benefits coverage terminates, a Beneficiary may, upon application, convert, without medical examination, to a policy issued by the insurance carrier provided such application is made to the insurance carrier within 31 days after the coverage terminates.

The Complainant was employed in a classified position with the Respondent when he was injured on the job on August 5, 1983. The Respondent provided him with health benefits coverage as specified in Article III. D. (1) (b) of the Employer Benefit Plan up to August 31, 1984, the balance of the month in which he last worked plus twelve months. The Respondent allowed the Complainant to pay his own premiums to continue his coverage through December 1984 and then offered him the opportunity to convert to a private policy.

Although the Complainant maintains that the Respondent is obligated to keep him as an insured party on its group policy if he is willing to pay his own premiums, the Trustees conclude that the Respondent has fulfilled its responsibility to the Complainant under the Employer Benefit Plan by providing him with health benefits coverage until August 31, 1984, and by offering him a conversion policy.

This opinion should not be construed as addressing any other protections which may be available to the Complainant under state law pertaining to health insurance extensions for laid-off or disabled Employees.

Opinion of the Trustees

The Respondent has fulfilled Its responsibility to the Complainant under the terms of the Employer Benefit Plan by providing him with health benefits coverage through August 31, 1984, and by offering him the conversion privilege.