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OPINION OF TRUSTEES

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In Re

Complainant: Surviving Spouse  
Respondent: Employer  
ROD Case No: 81-593 - July 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 the provision of health benefits coverage for a surviving spouse by the Employer under the terms of the Employer Benefit Plan and hereby render their opinion on the matter.

Background Facts

The Complainant's husband was employed in a classified position by the Respondent from June 1981 until November 23, 1981, when he died as a result of an employment related truck accident.

According to information presented to the Trustees, health benefits coverage for the Complainant and her dependents was terminated by the Respondent on November 30, 1982.

The Complainant states that she has been employed in a part-time job since August 1982; however, she maintains that she and her dependents continue to be eligible for health benefits coverage by the Respondent, since she has not remarried and earns less than \$500 per month.

The Respondent's representative has failed to indicate in its response to the Trustees why benefits coverage for the Complainant was terminated on November 30, 1982. He states that the Complainant must establish her eligibility for 1982, 1983 and 1984; however, he has refused to accept copies of Federal Income Tax Returns and WI Forms as proof of income, stating that such information is "self serving and improper independent proof of the widow's eligibility." Instead he has stated that a "Social Security Itemized Statement of Earnings" is the only proof of income that will be accepted by the Respondent.

Dispute

Is the Respondent responsible for the provision of health benefits coverage for the Complainant and her eligible dependents past November 30, 1982?

Position of the Parties

Position of the Complainant: The Complainant maintains that she and her dependents are eligible for health benefits coverage beyond November 30, 1982.

Position of the Respondent: The Respondent has failed to state its position in this dispute; however, it is asking for the Complainant's "Social Security Itemized Statement of Earnings" as proof of income.

Pertinent References

Article XX Section (c)(3)(i) of the National' Bituminous Coal Wage Agreement of 1981 provides:

(c) 1974 Plans and Trusts

- (3)(i) Each Signatory Employer shall establish and maintain an Employee benefit plan to provide, implemented through an insurance carrier(s), health and other non-pension benefits for its Employees covered by this Agreement as well as pensioners under the 1974 Pension Plan and Trust, whose last signatory classified employment was with such Employer. The benefits provided by the Employer to its eligible Participants pursuant to such plans shall be guaranteed during the term of this Agreement by that Employer at levels set forth in such plans.....

Articles I (1), (2), (3), (4) and (6) 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.

3. "Plan Administrator" shall be the Employer, a subsidiary of the Employer, an affiliated company of the Employer or an employee of the Employer, as designated by the Employer.
4. "Employee" shall mean a person working in a classified job for the Employer, eligible to receive benefits hereunder.
6. "Beneficiary" shall mean any person who is eligible pursuant to the Plan to receive health benefits as set forth in Article III hereof.

Article II E of the Employer Benefit Plan provides in pertinent part:

#### Article II - Eligibility

The persons eligible to receive the health benefits pursuant to Article III as follows:

E. Surviving Spouse and Dependents of Deceased Employees or Pensioners

Health benefits under Article III shall be provided to (i) any unmarried surviving spouse (who was living with or being supported by the Employee or Pensioner immediately prior to the Employee's or Pensioner's death) and (ii) such spouse's unmarried surviving dependent children as defined in subparagraphs (2) and (5) of paragraph B, of an Employee or Pensioner who died:

1. As a result of a mine accident occurring on or after the effective date of the Plan while the Employee was working in a classified job for the Employer.

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Health benefits shall continue for a surviving spouse until the remarriage of such spouse, but if such spouse is entitled to such benefits under paragraph (3) above, such health benefits will continue not longer than for the period specified in paragraph (3) above. Health benefits shall not be provided during any month in which such surviving spouse is regularly employed at an earnings rate equivalent to at least \$500 per month.

At the death of an Employee described in paragraph (1) above, health benefits will be continued for the unmarried children until they attain age 22, even if there is no surviving spouse or if the surviving spouse dies before they attain age 22; provided, however, health benefits shall not be provided for any child during any month in which such child is regularly employed at an earnings rate equivalent to at least \$500 per month, unless such child is a full-time student.

Article III A. (10)(b) of the Employer Benefit Plan provides;

(10) General Provisions

(b) Administration

The Plan Administrator is authorized to promulgate rules and regulations to implement the Plan, and such rules and regulations shall be binding upon all persons dealing with the Beneficiaries requesting benefit payments under this Plan. The Trustees of the UMWA Health and Retirement Funds will resolve any disputes to assure consistent application of the Plan provisions which are identical to the benefit provisions of the 1950 Benefit Plan and Trust.

Discussion

Article XX Section (c)(3)(i) of the 1981 Coal Wage Agreement requires each signatory Employer to maintain a health benefits plan. The benefits provided by the Employer to its eligible Participants shall be guaranteed during the term of the Agreement at the levels set forth in the Employer Benefit Plan.

Under Article II E (1) of the Employer Benefit Plan, Surviving Spouses and their dependents remain eligible for health benefits coverage, provided by the miner's last Employer, for as long as the surviving spouse remains unmarried and has a monthly income under \$500 per month.

The Complainant indicates that she has been employed at a part-time job since August 1982. In November 1982, her benefits coverage was terminated by the Respondent, although she states that she never received notification of this action nor did she become aware of this until 1984 when her son was in an accident. The Complainant maintains that the Respondent has never requested income information from her which would establish her eligibility for the health benefit plan, although she would be able to provide a statement of employment verification from her Employer, as well as W-2 forms and recent Federal Income Tax Returns to verify her income and eligibility for the benefit plan.

In his response, the Respondent's representative states that "federal Income Tax Returns are self serving and do not provide proof of the widow's eligibility." The representative has requested a Social Security Itemized Statement of Earnings.

Under Article III A (10)(b) of the Employer Benefit Plan, the Plan Administrator is authorized to promulgate rules and regulations to implement the Plan. In ROD No. 81-155 (enclosed herein), the Trustees have stated that any such rules and regulations should not impose an unreasonable burden on beneficiaries preventing them from receiving the coverage to which they are entitled. The Trustees note that Social Security Itemized Statements are not current and therefore would not provide the information that the Respondent needs to determine the Complainant's eligibility.

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The Trustees have previously ruled In ROD 84-011 (enclosed herein) that certified copies of Federal Income Tax Returns and verification letters of employment are reasonable documentation of proof of income levels.

Opinion of the Trustees

As provision of Federal Income Tax Returns and verification letters of employment is reasonable documentation of proof of income levels, the Respondent is responsible for the provision of benefits coverage for the Complainant and her eligible dependents effective December 1, 1982, for those periods in which she fulfills the eligibility requirements for health benefits coverage as established in Article II E of the Employer Benefit Plan.