

March 25, 1985

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

Re: Resolution of Dispute
Case No. 84-011

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 a question concerning an Employer's authority to require the Participants to provide proof of marital status and dependency for benefits coverage under the Employer Benefit Plan.

This dispute arises from your question as to whether the Employer has the right to request federal income tax returns as proof of dependency for continued health benefits coverage.

Article II D. of the Employer Benefit Plan states that health benefits coverage under Article III shall be provided to an Employee's spouse and certain dependents. In Question and Answer H-2 (81), (attached hereto), the Trustees stated that a person is considered a dependent of a participant if the participant regularly provides over one-half of the person's support. Support includes the fair rental value of lodging, reasonable cost of board, clothing, miscellaneous household services and education expenditures, excluding scholarships. Support is not limited to necessities.

The Trustees have previously concluded in ROD 81-300 (attached hereto), that it is reasonable for an Employer to require Employees to furnish reasonably available information to establish date of birth, marital status and dependency before benefits coverage is approved for a spouse or a dependent. In addition, the Trustees stated that an Employer may require such documentation at reasonable intervals to update and verify the information. Finally, the Trustees stated that, in both instances, the Employer should allow an adequate period of time for the Employee to submit the required documentation.

The Employer has stated that instead of requiring Employees to provide documentation of the fair rental value of lodging, reasonable cost of board, and other such costs, it will accept copies of federal income tax returns as proof of dependency. Additionally, if the Employee objects to the examination of the tax returns, it will accept a statement from a Certified Public Accountant

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or Notary Public that the dependent was claimed on the tax return. Extensions of the time will be granted to those Employees who furnish proof that the necessary documentation has been ordered from the Internal Revenue Service.

On the basis of this information, the Trustees find that the Employer has acted reasonably in its request for documentation pertaining to dependency.

Sincerely,

Harrison Combs, Chairman

Joseph P. Brennan, Trustee

William Miller, Trustee

Paul R. Dean, Trustee