
OPINION OF TRUSTEES

In Re

Complainant: Surviving Spouse
Respondent: Employer
ROD Case No: 84-015 - 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 the provision of death benefits for a surviving spouse of an Employee under the terms of the Employer Benefit Plan. They hereby render their opinion on the matter.

Background Facts

The Employee performed classified work for the Respondent from December 23, 1974, until May 14, 1983, at which time he ceased work due to an illness. He received Sickness and Accident benefits from May 14, 1983, through May 18, 1984. He never was able to return to work and subsequently died on January 11, 1985.

The Complainant (surviving spouse) asks whether she is entitled to death benefits under the 1984 Wage Agreement. The Respondent maintains that because the Employee died after the expiration of his period of eligibility for Sickness and Accident benefits, the Complainant is not entitled to receive death benefits.

Dispute

Is the Complainant entitled to death benefits under the 1984 Wage Agreement?

Positions of the Parties

Position of the Complainant: The Complainant asks whether she is entitled to receive death benefits under the 1984 Wage Agreement.

Position of the Respondent: The Respondent is not responsible for provision of death benefits to the Complainant because the Employee died after his eligibility for Sickness and Accident benefits ceased.

Pertinent Provisions

Article 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 1984, 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.

Article II A (2) and C (3) of the Employer Benefit Plan provides:

Article II - Eligibility

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

A. Active Employees

Benefits under Article III shall be provided to any Employee who:

2. is on layoff or disabled from the Employer and had continuing eligibility as of the effective date of the Wage Agreement for coverage under the 1981 Employer Benefit Plan ("prior Plan") as a laid off or disabled employee. Coverage for such laid-off or disabled Employees shall not continue beyond the date when they would no longer have been eligible for such coverage under the provisions of the prior Plan.

C. Disabled Employees

In addition to disabled Pensioners who are receiving pension benefits and are therefore entitled to receive health benefits under paragraph B of this Article II, health benefits under Article III shall also be provided to any Employee who:

- (3) is receiving or would, upon proper application, be eligible to receive Sickness and Accident benefits pursuant to the Wage Agreement.

Life and Accidental Death and Dismemberment Insurance shall also be provided to Employees described in (3) above.

Article III B (1) (a) and D (1) (a) and (b) of the Employer Benefit Plan provide:

Article III - Benefits

B. Life and Accidental Death and Dismemberment Insurance

1. Active Employees

Life and accidental death and dismemberment insurance will be provided for Employees, as described in Article II, Sections A and C(3), in accordance with the following schedule:

- (a) Upon the death of an Employee due to other than violent, external and accidental means, life insurance in the amount of \$30,000 will be paid to the Employee's named beneficiary.

D. General Provisions

(1) Continuation of Coverage

(a) Layoff

If an Employee ceases work because of a layoff, continuation of health, life and accidental death and dismemberment insurance coverage is as follows:

<u>Number of Hours Worked for the Employer in the 24 Consecutive Calendar Month Period Immediately Prior to The Employee's Date Last Worked</u>	<u>Period of Coverage Continuation from the Date Last Worked</u>
2,000 or more hours	Balance of month plus 12 months
500 or more but less than 2,000 hours	Balance of month plus 6 months
Less than 500 hours	30 days

(b) Disability

Except as otherwise provided in Article II, section C, if an Employee ceases work because of disability, the Employee will become eligible to continue health, life and accident death and dismemberment 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 (a) above.

Discussion

Under Article III B (1) (a) of the Employer Benefit Plan, life and accidental death and dismemberment insurance is provided for Employees who are eligible to receive health benefits coverage as described in Article II A and C(3). Therefore, death benefits are provided for laid off and disabled Employees while they remain eligible for continuation of benefits coverage, and for Employees who are receiving or would, upon proper application, be eligible to receive Sickness and Accident benefits pursuant to the Wage Agreement.

On May 16, 1984, however, the Employee ceased to be eligible for these benefits, as he had reached the maximum time allowed for continuation of benefits under the Wage Agreement. Consequently, under Article II C (3) of the Employer Benefit Plan, the Complainant also ceased to be eligible for death benefits on that date. The Trustees conclude that the Complainant is not entitled to receive death benefits under the terms of the 1984 Wage Agreement.

Opinion of the Trustees

It is the opinion of the Trustees that the Complainant is not entitled to receive death benefits under the terms of the 1984 Wage Agreement.