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OPINION OF TRUSTEES

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In Re

Complainant: Laid-off Employees  
Respondent: Employer  
ROD Case No: 84-121 - January 14, 1986

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 level of health benefits coverage for laid-off Employees under the terms of the Employer Benefit Plan.

Background Facts

The Complainants' representative has stated that on or around June 10, 1985, the Complainants were laid off from classified employment with the Respondent and that the Respondent has failed to provide extended health benefits coverage for the Complainants from that date. The Complainants' representative has submitted medical invoices for services which were incurred prior to June 10, 1985, however, and has asked that the Respondent be responsible for the payment of these invoices.

The Funds determined that the Respondent was no longer in business, effective June 10, 1985. On October 16, 1985, the Complainants were advised by letter that the Funds would provide their health benefits coverage pursuant to Article II E. of the UMWA 1974 Benefit Trust, effective June 11, 1985. Eligibility for such coverage will extend only through the period of eligibility previously established under Article III D. (1) (a) of the Employer Benefit Plan and is subject to the terms and conditions set forth in the UMWA 1974 Benefit Trust,

The Respondent has failed to answer repeated correspondence from the Funds requesting its position in this dispute. Therefore, the Trustees must render a decision based upon the available information on file.

Dispute

Is the Respondent responsible for the payment of medical charges for services rendered to the Complainants prior to June 10, 1985?

Position of the Parties

Position of the Complainant: The Respondent is responsible for the payment of medical charges for services rendered to the Complainants prior to June 10, 1985.

Position of the Respondent: The Respondent has failed to inform the Funds of its position in this dispute.

Pertinent Provisions

Article XX (c) (3) (i) of the National Bituminous Coal Wage Agreement of 1984 provides:

Article XX - Health and Retirement Benefits  
Section (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.

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. (1) and (4) of the Employer Benefit Plan provide:

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:

- (1) is actively at work\* for the Employer on the effective date of the Wage Agreement; or
- (4) A new Employee will be eligible for health benefits from the first day worked with the Employer.

#### Discussion

The Complainants' representative has submitted medical invoices for services which were incurred prior to the date of layoff. Inasmuch as the Complainants satisfied the definition of active Employees as set forth in Article I (4) and Article II A. (1) and (4) of the Employer Benefit Plan, the Respondent is responsible for the provision of health benefits coverage pursuant to Article XX (C) (3) (i) of the National Bituminous Coal Wage Agreement of 1984 during the Complainants' employment with the Respondent. Accordingly, the Trustees are of the opinion that the Respondent is responsible for the payment of all medical charges incurred by the Complainants prior to the date of layoff. Such benefits are to be provided at the level specified in the Employer Benefit Plan.

#### Opinion of the Trustees

The Respondent is responsible for the provision of health benefits coverage at the level set forth in the Employer Benefit Plan for the Complainants through their period of active employment.

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\*"Actively at work" includes an Employee of the Employer who was actively at work on September 30, 1984, and who returns to active work with the Employer two weeks after the effective date of the Wage Agreement.