
OPINION OF TRUSTEES

In Re

Complainant: Pensioner
Respondent: Employer
ROD Case No: 84-122 - March 21, 1986

Board of Trustees: Joseph 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 Pensioner under the terms of the Employer Benefit Plan.

Background Facts

The Complainant, who was born on August 29, 1928, worked for several successive owners of the same mine in a classified position through his last claimed classified signatory employment in the coal industry with the Respondent on March 29, 1985.

The Complainant has stated that subsequent to March 29, 1985 he formed a company to haul coal for a coal operator but this venture was abandoned after two weeks. No wages were reported for or paid to the Complainant during this time. A field investigation disclosed that the company in question is not now a signatory company and has never signed a Coal Wage Agreement.

On October 11, 1985, the Complainant was notified by letter that based upon his 23 1/2; years of credited service and upon his having attained age 55, he was eligible to receive an Age 55 Retirement pension from the UMWA 1974 Pension Plan effective April 1, 1985. The Complainant was also advised to contact his last signatory Employer, the Respondent, regarding the provision of health benefits coverage. The Respondent received a copy of this letter.

The Respondent has denied responsibility for the provision of health benefits, coverage stating that it was not the Complainant's last Employer.

The Complainant has asked that the Respondent be found responsible for the provision of health benefits coverage as the Respondent is the last signatory Employer for which the Complainant performed classified work.

Dispute

Is the Respondent responsible for the provision of health benefits coverage for the Complainant, a UMWA 1974 Pension Plan pensioner, as the last signatory Employer for which he performed classified work?

Position of the Parties

Position of the Complainant: The Respondent is responsible for the provision of health benefits coverage for the Complainant, inasmuch as the Complainant is a UMWA 1974 Pension Plan pensioner and the Respondent is the last signatory Employer for which the Complainant performed classified work.

Position of the Respondent: The Respondent is not responsible for the provision of health benefits coverage for the Complainant because the Respondent is not the last Employer for which the Complainant worked.

Pertinent Provisions

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

(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 (5) of the Employer Benefit Plan provide:

Article I - Definitions

The following terms shall have the meanings herein set forth:

- (1) "Employer" means (name of Coal Company).
- (2) "Wage Agreement" means the National Bituminous Coal Wage Agreement of 1984, as amended from time to time and any successor agreement.
- (5) "Pensioner" shall mean any person who is receiving a pension, other than (i) a deferred vested pension based on less than 20 years of credited service, or (ii) a pension based in whole or in part on years of service credited under the terms of Article II G of the 1974 Pension Plan, or any corresponding paragraph of any successor thereto, under the 1974 Pension Plan (or any successor thereto), whose last classified signatory employment was with the Employer, subject to the provisions of Article II B of this Plan.

Article II B. (1) of the Employer Benefit Plan provides:

Article II - Eligibility

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

B. Pensioners

Health benefits and life insurance under Article III hereof shall be provided to Pensioners as follows:

(1) Any Pensioner who is not again employed in classified signatory employment subsequent to

(a) such Pensioner's initial date of retirement under the 1974 Pension Plan, and

(b) October 1, 1984, shall be eligible for coverage as a Pensioner under, and subject to all other provisions of this Plan. Notwithstanding (i) and (ii) of the definition of Pensioner in Article I (5) of this Plan, any such Pensioner who was eligible for benefits under the 1974 Benefit Plan as a Pensioner on December 5, 1977, shall be eligible for such benefits, subject to all other provisions of this Plan.

Discussion

Under Article II. B. of the Employment Benefit Plan, the Employer is responsible for the provision of health benefits to certain pensioners. A 'Pensioner' is defined in Article I (5) of the Plan as a person receiving a pension under the 1974 Pension Plan whose last classified signatory employment was with the Employer.

In response to this Resolution of Dispute, the Funds determined that the company for which the Complainant worked subsequent to his retirement with the Respondent is not signatory to the 1984 Wage Agreement, and that any duties performed in the course of such employment may not be considered "classified work for a signatory Employer." Accordingly, the Respondent is the last signatory Employer for which the Complainant performed classified work.

Inasmuch as the Complainant last performed classified signatory work for the Respondent and is receiving an Age 55 Pension from the 1974 Pension Plan, he is a pensioner within the meaning of Article II. B., and the Respondent is responsible for his health benefits coverage effective April 1, 1985.

Opinion of Trustees

The Respondent is responsible for the provision of health benefits coverage for the Complainant and his eligible dependents effective September 1, 1985.