
OPINION OF TRUSTEES

In Re

Complainant: Disabled Pensioner
Respondent: Employer
ROD Case No: 84-203 - August 12, 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 provision of health benefits coverage for a disabled Pensioner under the terms of the Employer Benefit Plan.

Background Facts

The Complainant's last classified signatory employment in the coal industry was for the Respondent on October 20, 1982. On that date, the Complainant sustained a work-related injury. The Complainant filed an application for benefits under the UMWA 1974 Pension Plan on December 17, 1984, and was awarded a minimum disability pension on March 28, 1986, with an effective date of November 1, 1982. He was advised to contact his last signatory employer, the Respondent, concerning the provision of health benefits coverage as a disabled pensioner.

The Complainant claims that the Respondent is not providing his health benefits and asks if, and for what periods, the Respondent is responsible for providing him such benefits.

The Respondent did not answer repeated inquiries by Funds' staff and has not provided its position in this dispute.

Position of the Parties

Position of the Complainant: The Complainant asks whether the Respondent is responsible for provision of his health benefits as a Pensioner.

Position of the Respondent: The Respondent has not provided its position in dispute.

Pertinent Provisions

Article I (1), (2) and (5) of the 1981 [1984] Employer Benefit Plan provide:

The following terms shall have the meanings herein set forth:

- (1) "Employer" means (Employer's Name)
- (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 twenty 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. of the 1981 [1984] Employer Benefit Plan provides:

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 1(5) of this Plan, any such Pensioner who was eligible for benefits under the 1974 Benefit Plan as a Pensioner on December 8, 1977, shall be eligible for such benefits, subject to all other provisions of this Plan.
- (4) Health benefits shall not be provided during any month in which the Pensioner is regularly employed at an earnings rate equivalent to at least \$500 per month.

Q&A H-8 (81) states:

Subject: Health Benefits; Effective Date for Pensioner
Reference: (50B)II A; (74B) II A

Question: Under the 1950 and 1974 Benefit Plans and Trusts, health benefits are provided to certain pensioners. If a retired miner's pension application is approved on October 1, 1982, with payments effective August 1, 1982, on what date does the pensioner's eligibility for health benefits begin?

Answer: The pensioner becomes eligible for health benefits effective August 1, 1982, the same date as the commencement date of his pension.

Discussion

Article II B. of the 1981 [1984] Employer Benefit Plan establishes that an individual eligible for pension benefits under the UMWA 1974 Pension Plan is eligible for benefits coverage under the Employer Benefit Plan. The Complainant, who was awarded a UMWA 1974 Plan disability pension on March 25, 1986, effective November 1, 1982, satisfies the eligibility requirements of Article II B. of the Employer Benefit Plan.

Article II B. (4) of the Employer Benefit Plan states that health benefits coverage for a Pensioner shall not be provided for any month in which the Pensioner is regularly employed at an earnings rate of \$500 or more per month. Q&A H-8(81) further explains that health benefits coverage for an eligible pensioner will be provided from the effective date of pension.

Opinion of the Trustees

The Respondent is responsible for the provision of benefits under Article III. of the Employer Benefit Plan from the effective date of pension for any month in which the Complainant is not regularly employed at an earnings rate of \$500 or more per month.