
OPINION OF TRUSTEES

In Re

Complainant: Pensioner
Respondent: Employer
ROD Case No: 84-206 - July 24, 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

On April 30, 1986, the Complainant was awarded a UMWA 1974 Pension Plan deferred vested pension, effective December 1, 1985, based on twenty-three and three quarters (23 3/4) years of classified service. The Complainant last worked in a classified signatory position on October 9, 1978 for the Respondent.

The Respondent contends that the Complainant only worked for the Respondent from October 31, 1977 to October 9, 1978, at which time the Complainant quit. The Respondent contends that according to ROD 81-500 an individual must have three years credited service with a signatory employer to be eligible for health benefits as a Pensioner from such an Employer. The Respondent claims that the Complainant had previous employment with a signatory company between January 1, 1974 and October 31, 1977, and that the Complainant must request health benefits from his previous Employer.

The Complainant contends that the Respondent is responsible for providing his health benefits as a Pensioner.

Dispute

Is the Respondent responsible for providing health benefits for the Complainant as a Pensioner?

Position of the Parties

Position of the Complainant: As the Complainant's last signatory Employer, the respondent is responsible for the provision of the Complainant's health benefits as a Pensioner.

Position of the Respondent: Because the Complainant only worked for the Respondent from October 31, 1977 to October 9, 1978, and because he worked for a previous Employer from January 1, 1974 to October 31, 1977, a previous Employer, not the Respondent, is responsible for providing health benefits to the Complainant.

Pertinent Provisions

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)(a) and (b) of the Employer Benefit Plan provide:

Article II - Eligibility

The persons eligible to receive 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.

Q&A H-10(81) states:

Subject: Health Benefits; Employer Responsibility for Health and then Non-Pension Coverage of a 1974 Plan Pensioner

Reference: NBCWA XX Section (C)(3); Employer Benefit Plan Article II - B(3)

Question:

- (1) A 1974 Plan Pension applicant who worked for 20 years in a classified job for a signatory Employer A, was last employed in a classified job for signatory Employer B. His period of employment with B lasted three months.

Which Employer is responsible for his health and other non-pension benefit coverage upon approval of his Pension?

Answer:

- (1) Employer B, his last Employer.

Discussion

Article II B.(1) of the Employer Benefit Plan states that a Pensioner who is not again employed in a classified job with a signatory Employer after his initial date of retirement and after October 1, 1984, shall be eligible for health and other non-pension benefits. Q&A H-10(81) further explains that although a Pensioner may have earned most of his credited service with a prior Employer, it is the last signatory Employer for which the Pensioner performed classified service that is responsible for the provision of health benefits to the Pensioner.

The Respondent cites ROD 81-500 (attached hereto) in support of its refusal to provide health benefits to the Complainant. That case, however, dealt with a pensioner who was re-employed in a classified position with a signatory employer subsequent to his initial date of retirement.

Inasmuch as the Complainant in this case is a Pensioner who retired from the coal industry on October 9, 1978, and did not again perform classified signatory work subsequent to that date, and

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inasmuch as the Complainant last performed classified signatory work with the Respondent, the Respondent is responsible for providing the Complainant with health benefits.

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The Respondent is responsible for the provision of health benefits to the Complainant as a Pensioner.