

OPINION OF TRUSTEES

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In Re

Complainant: Employee  
Respondent: Employer  
ROD Case No: 84-287 - January 27, 1987

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 an Employee under the terms of the Employer Benefit Plan.

Background Facts

The Complainant was laid off from classified employment with the Respondent in August 1982. The Complainant was recalled to classified employment with the Respondent on July 15, 1985. On that same date, he attended a retraining class, which had been previously scheduled by the Respondent. The Complainant has stated that he also attended a retraining class on the following day, July 16, 1985. He was paid for the time he spent in retraining at his regular rate. The Complainant reported to work in his regular job classification on July 29, 1985, as he had been instructed. The Complainant has stated that he has continued to work for the Respondent since he was recalled.

The Complainant has submitted a copy of an unpaid bill for medical services rendered on July 25, 1985. The Respondent has refused to pay the unpaid bill, stating that the Complainant was not entitled to health benefits coverage until he returned to active employment on July 29, 1985. The Respondent contends that attending a retraining class does not constitute a return to active employment for health benefits purposes.

The Complainant claims that he was entitled to health benefits coverage, effective the date he was recalled to employment and attended retraining classes. The Complainant contends that, therefore, the Respondent is responsible for payment of the unpaid bill for medical services.

Dispute

Whether the effective date of the Complainant's health benefits coverage is July 15, 1985, when he was recalled by the Respondent and attended a retraining class, or July 29, 1985, when he was first scheduled to work in his regular job classification.

### Positions of the Parties

Position of the Complainant: The Complainant is entitled to health benefits coverage, effective July 15, 1985, when he was recalled by the Respondent and attended a retraining class.

Position of the Respondent: The Complainant is not entitled to health benefits coverage until July 29, 1985 when he returned to his regular job classification.

### Pertinent Provisions

Article I. (1), (2), and (4) of the 1984 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.
- (4) "Employee" shall mean a person working in a classified job for the Employer, eligible to receive benefits hereunder.

Article II. A. (3) of the Employer Benefit Plan provides in pertinent part:

#### Article II - Eligibility

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

##### A. Active Employees

- (3) ... any Employee of the Employer who is not actively at work\* for the Employer on the effective date of the Wage Agreement will not be eligible for coverage under the Plan until he returns to active employment with the Employer.

\*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.

### Discussion

Article II A. (3) of the Employer Benefit Plan stipulates that an Employee who is not actively at work for the Employer on the effective date of the Wage Agreement will not be eligible for health benefits coverage until he returns to active employment with the Employer. The issue here is whether the date the Complainant attended a retraining class can be considered his return to active employment and thus, the effective date of his health benefits coverage under Article II A. (3).

The language of Article II A. (3) of the Employer Benefit Plan does not qualify the term "active employment" by differentiating between time spent in retraining versus time spent in a regular job classification. Under the terms of the Wage Agreement, every classified Employee is required to participate in a general retraining program at least once during each calendar year. The Employee is paid for time spent in retraining programs at the regular rate applicable to his job classification. Employers are required by the Wage Agreement and by ERISA to report employee hours to the Funds; hours spent by an Employee in retraining are reported as hours worked. Hours spent in retraining are also credited as hours worked for pension credit purposes.

Given the retraining requirements of the Wage Agreement and in light of the considerations noted above, the Trustees conclude that active employment must be considered to include certain periods of safety training and retraining. Inasmuch as the Complainant was recalled to classified employment and then attended a retraining class prior to beginning work in his regular job classification, his period of active employment is considered to have begun on the date he attended the retraining class, July 15, 1985. Therefore, the Respondent is responsible for providing health benefits coverage for the Complainant, effective July 15, 1985.

### Opinion of the Trustees

The Respondent is responsible for providing health benefits coverage for the Complainant as an active Employee, effective July 15, 1985.