

OPINION OF TRUSTEES

In Re

Complainant: Employee
Respondent: Employer
ROD Case No: 84-305 - 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 working in a classified job for the Respondent when he was injured on October 18, 1985. As a result of his injury, he was unable to return to work and was awarded Workers' Compensation. Funds' records indicate that the Complainant worked 2,927 hours in the 24-month period prior to October 18, 1985. Based on that number of hours, the Respondent provided continued health benefits coverage for the Complainant from October 18, 1985 until November 1, 1986.

The Complainant states that while recovering from his injury, he was instructed to attend an annual safety and first aid retraining class. The Complainant attended the eight-hour class on April 22, 1986. He was paid for this time at his regular rate of pay. The Complainant asks whether his attendance at the retraining class can be considered his last date worked for purposes of determining a period of eligibility for continued benefits coverage from that date. Funds' records indicate that the Complainant worked 2,011 hours for the Respondent in the 24-month period prior to April 22, 1986.

The Respondent states that the Complainant had not been released for work by his physician when he attended the retraining class on April 22, 1986; therefore, the Respondent claims that the Complainant's attendance at the retraining class does not constitute a return to work for purposes of determining his eligibility for continued benefits coverage. The Respondent maintains that the Complainant has received the maximum continuation of coverage to which he is entitled based on his last date worked, October 18, 1985.

Dispute

Whether the Complainant is entitled to continued benefits coverage from the date he attended an annual retraining class.

Positions of the Parties

Position of the Complainant: The Complainant asks whether the date he attended a retraining class can be considered his last date worked for purposes of determining a period of eligibility for continued benefits coverage.

Position of the Respondent: The Complainant was unable to work because of disability and was receiving continued health benefits coverage when he attended a retraining class. His attendance at the class does not constitute a return to work for purposes of determining a second period of eligibility for continued benefits coverage.

Pertinent Provisions

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 (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. (1) and (4) and C. (3) 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.

* 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.

C. Disabled Employees

In addition to disabled Pensioners who are receiving pension benefits and are therefore entitled to receive health benefits under paragraph B of this Article II, health benefits under Article III shall also be provided to any Employee who:

- (3) Is receiving or would, upon proper application, be eligible to receive Sickness and Accident Benefits pursuant to the Wage Agreement.

Life and accidental death and dismemberment insurance shall also be provided to Employees described in (3) above.

Article III D. (1) (a), (b) and (d) of the Employer Benefit Plan provide:

Article III - Benefits

D. General Provisions

- (1) Continuation of Coverage

- (a) Layoff

If an Employee ceases work because of layoff, continuation of health, life and accidental death and dismemberment insurance coverage is as follows:

Number of Hours Worked for the Employer in the 24 Consecutive Calendar Month Period Immediately Prior to <u>The Employee's Date Last Worked</u>	Period of Coverage Continuation from the <u>Date Last Worked</u>
2,000 or more hours	Balance of month plus 12 months
500 or more but less than 2,000 hours	Balance of month plus 6 months
Less than 500 hours	30 days

- (b) Disability

Except as otherwise provided in Article II, section C, if an Employee ceases work because of disability, the Employee will be eligible to continue health, life and accidental death and dismemberment coverage while disabled for the greater of (i) the period of eligibility for Sickness and Accident benefits, or (ii) the period as set forth in the schedule in (a) above.

(d) Maximum Continuation of Coverage

In no event shall any combination of the provisions of (a), (b), (c), (e) or (g) above result in continuation of coverage beyond the balance of the month plus 12 months from the date last worked.

Discussion

Article III D. (1)(b) of the Employer Benefit Plan authorizes the continuation of health and other non-pension benefits for an Employee who "ceases work because of disability." The period of continued benefits coverage shall extend from the date last worked for the greater of the period of eligibility for Sickness and Accident Benefits or the period as set forth in III D. (1)(a). Under Article III D. (1)(a), the period of continued coverage is based upon the number of hours worked for the Employer in the 24-month period prior to the Employee's date last worked. The maximum period of continued coverage under Article III D. is the balance of the month in which the Employee last worked plus twelve months.

The Complainant's last day of work for the Respondent, prior to his disability, was October 18, 1985. Based on the number of hours worked for the Respondent in the 24-month period prior to that date, the Complainant was entitled to continued benefits coverage as a disabled employee for the balance of October 1985 through October 31, 1986.

The issue here is whether the Complainant's attendance at a retraining class on April 22, 1986 constitutes a return to work and his "date last worked" for purposes of determining a second period of continued benefits coverage. article III D. (1)(b) expressly provides continued benefits coverage for a disabled Employee "who ceases work because of disability." The Complainant was receiving Workers' Compensation and continued benefits coverage as a disabled Employee when he attended the retraining class on April 22, 1986. Although the Complainant did not continue to work following the retraining class, he did not cease work because of disability on that date. Rather, the Complainant ceased work because of disability on October 18, 1985, and he remained unable to work as a result of that same disability beyond April 22, 1986. Therefore, the Trustees conclude that under Article III D.(1)(b) the Complainant is entitled to only one period of continued benefits coverage, beginning October 18, 1985, the date the Complainant ceased work because of disability.

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The Respondent has provided the Employee with continued benefits coverage for the maximum period required under the Employer Benefit Plan. The Respondent is not responsible for providing a period of continued benefits coverage for the Complainant based on his attendance at a retraining class on April 22, 1986.