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## OPINION OF TRUSTEES

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### In Re

Complainant: Pensioner  
Respondent: Employer  
ROD Case No: 84-360 - July 2, 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 a Pensioner under the terms of the Employer Benefit Plan.

### Background Facts

On July 13, 1984, the Complainant sustained a work-related injury while working in a classified job for the Respondent. As a result of this injury, the Complainant was unable to return to work until September 20, 1984. The Complainant performed classified work for the Respondent on September 20, 1984 and on September 21, 1984, when he was again injured in a work-related accident. The Complainant was unable to return to work after September 21, 1984.

The Complainant filed for Social Security Disability Insurance (SSDI) benefits under Title II of the Social Security Act. His application was approved on April 4, 1986, effective July 13, 1984.

The Complainant filed an application for disability pension benefits under the UMWA 1974 Pension Plan on April 14, 1986. The Complainant was subsequently awarded a 1974 Pension Plan Minimum Disability pension effective August 1, 1984, the month following the month in which his (SSDI) benefits became effective. He was advised to contact his last signatory Employer, the Respondent, concerning the provision of his health benefits coverage as a Pensioner.

The representative for the Complainant states that the Respondent has refused to provide health benefits coverage for the Complainant as a Pensioner. The Respondent states that it ceased its mining operations on September 29, 1984 and has filed for protection under Chapter Eleven of the Federal Bankruptcy code. The Respondent contends that it is financially unable to provide the Complainant with health benefits coverage.

### Dispute

Whether the Respondent is responsible for the provision of health benefits coverage for the Complainant as a Pensioner.

#### Positions of the Parties

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

Position of the Respondent: The Respondent is financially unable to provide the Complainant with health benefits coverage.

#### Pertinent Provisions

Article XX(c)(3)(i) of the National Bituminous Coal Wage Agreement of 1984 provides in pertinent part:

(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 (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 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

### 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 5, 1977, shall be eligible for such benefits, subject to all other provisions of this Plan.

### Discussion

Article XX(c)(3)(i) of the 1984 National Bituminous Coal Wage Agreement requires a signatory Employer to establish and maintain an Employer Benefit Plan to provide health and other non-pension benefits for its Pensioners whose last signatory classified employment was with such Employer. The Wage Agreement stipulates that benefits provided by the Employer pursuant to such Plan shall be guaranteed during the term of the Agreement by that Employer at levels set forth in such Plan. The Respondent's claim that it is financially unable to provide health benefits does not relieve it of its obligation to provide such benefits under the Wage Agreement.

Article II B. of the Employer Benefit Plan establishes that an individual who is eligible for pension benefits under the UMWA 1974 Pension Plan is eligible for health benefits coverage under the Employer Benefit Plan. Inasmuch as the Complainant was awarded a UMWA 1974 Pension Plan Minimum Disability pension, effective August 1, 1984, the Complainant is eligible for health benefits coverage under the Employer Benefit Plan established by his last signatory Employer, the Respondent.

### Opinion of the Trustees

The Respondent is responsible for the provision of health benefits coverage for the Complainant as a Pensioner under the terms of the Employer Benefit Plan.