
OPINION OF TRUSTEES

In Re

Complainant: Employee
Respondent: Employer
ROD Case No: 84-364 - October 28, 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 under the terms of the Employer Benefit Plan.

Background Facts

The Complainant worked for the Respondent in a classified position from April 1985 to June 16, 1986, when he was laid off. The Complainant has submitted copies of unpaid medical bills incurred during his employment with the Respondent.

The Complainant states that the Respondent terminated his health benefits coverage on or about June 16, 1986. The Complainant claims that he is entitled to 12 months of continued health benefits coverage beyond June 1986, because he worked over 2,000 hours for the Respondent during the 24-month period prior to June 16, 1986. The Complainant asks whether the Respondent is responsible for payment of medical charges incurred during his employment and during his period of eligibility for continued coverage as a laid-off Employee.

The Respondent is signatory to the National Bituminous Coal Wage Agreement ("Wage Agreement") of 1984.

Dispute

Whether the Respondent is responsible for payment of the Complainant's outstanding medical bills and for the provision of health benefits coverage for the Complainant as a laid-off Employee under the terms of the Employer Benefit Plan.

Positions of the Parties

Position of the Complainant: The Respondent is responsible for payment of the covered medical charges incurred by the Complainant during his employment and during his period of eligibility for continued coverage as a laid-off Employee under the terms of the Employer Benefit Plan.

Position of the Respondent: The Respondent has not responded to repeated correspondence from Fund's staff regarding its position in this dispute.

Pertinent Provisions

Article XX Section (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 (4) 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.
- (4) "Employee" shall mean a person working in a classified job for the Employer, eligible to receive benefits hereunder.

Article II A. (4) of the Employer Benefit Plan provides:

Article II - Eligibility

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

A. Active Employees

- (4) A new Employee will be eligible for health benefits from the first day worked with the Employer.

Article III D. (1)(a) of the Employer Benefit Plan provides:

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 the Employee's Date Last Worked	Period of Coverage Continuation from the Date Last Worked
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

Discussion

Article XX Section (c)(3)(i) of the 1984 Wage Agreement requires Employers to provide an Employee benefit plan... "implemented through an insurance carrier(s), [for] health and other non-pension benefits..." It further requires that "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." Inasmuch as the Complainant was eligible for health benefits coverage as an active Employee of the Respondent at the time the outstanding medical bills were incurred, the Respondent is responsible for payment of the covered medical charges under the terms of the Employer Benefit Plan. Furthermore, inasmuch as the Complainant was eligible for health benefits coverage beyond June 16, 1986 as a laid-off Employee, the Respondent is responsible for the payment of any additional covered medical charges incurred during the Complainant's period of eligibility for continued health benefits coverage as determined under the terms of the Employer Benefit Plan.

Opinion of the Trustees

The Respondent is responsible for payment of covered medical charges incurred by the Complainant and his eligible dependents during his active employment and during his period of

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eligibility for continued benefits coverage as a laid-off Employee as determined under the terms of the Employer Benefit Plan.