

OPINION OF TRUSTEES

In Re

Complainants: Laid-off Employee
Respondent: Employer
ROD Case No: 84-410 - June 18, 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 benefits coverage for a laid-off 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 April 11, 1985. As a result of his injury, he was unable to return to work and was awarded Workers Compensation. On June 6, 1986, the Complainant was provided a release from his attending physician to return to work. The Complainant's representative has stated that the Complainant did not return to work following his release because the Respondent had no work available. The Respondent provided the Complainant with health benefits coverage until June 6, 1986, when coverage was terminated.

On August 23, 1986, the Respondent laid off the Complainant. The Complainant's representative contends that the Respondent is responsible for providing the Complainant with continued health benefits for the balance of the month plus 12 months from the date of layoff, or through August 31, 1987.

Dispute

Whether the Respondent is responsible for providing the Complainant with health benefits after June 6, 1986.

Positions of the Parties

Position of the Complainant: The Respondent is responsible for providing the complainant with continued health benefits coverage for the balance of the month plus 12 months from the date the Complainant was laid off, or through August 31, 1987.

Position of the Respondent: The Respondent has not responded to repeated correspondence by Funds staff requesting its position in this dispute.

Pertinent Provisions

Article I (I), (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 III D.(1)(a) 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
the Employee's Date
Last Worked

Period of Coverage
Continuation from the
Date Last Worked

2,000 or more hours

Balance of month plus

500 or more but less than 2,000 hours	12 months Balance of month plus 6 months
Less than 500 hours	30 days

(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

Under Article III D.(1)(a) of the Employer Benefit Plan, the period of coverage continuation for a laid-off Employee is measured from the Employee's date last worked, not from the Employee's date of layoff. Article III D.(1)(d) provides that such a period of coverage continuation shall not exceed the balance of the month plus 12 months from the date last worked. Inasmuch as the Complainant last worked on April 11, 1985, and was provided health benefits coverage until June 6, 1986, the Respondent has fulfilled its obligation to the Complainant as a laid-off Employee under Article III D.(1)(a) of the Plan.

Opinion of the Trustees

The Respondent is not responsible for providing the Complainant with continued health benefits coverage as a laid-off Employee beyond what has already been provided.