

OPINION OF TRUSTEES

In Re

Complainant: Employee
Respondent: Employer
ROD Case No: 84-480 - June 6, 1988

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's dependent under the terms of the Employer Benefit Plan.

Background Facts

The Complainant has worked for the Respondent in a classified position since February 1979. The Complainant states that his nineteen-year-old brother has lived with him over two years and is dependent on him for full support. The Complainant has submitted copies of his federal income tax returns for 1985, 1986 and 1987 on which he claimed his brother as a dependent. The Complainant has also provided a copy of an "Evidence of Insurability" form which he submitted to the Employer on December 2, 1985 as an application for health benefits coverage for his brother. The Complainant states that he also provided proof of dependency at that time and at a later unspecified date as requested by the Respondent. The Complainant states that on March 1, 1987, he contacted the Respondent to confirm coverage for his brother's scheduled surgery. The Complainant has submitted statements alleging that, at that time, the Respondent and its insurance carrier listed the Complainant's brother as an eligible dependent under the Respondent's health benefit plan.

The Complainant states that after the surgery was performed, he was notified by the Respondent on April 30, 1987 that his brother was not eligible for health benefits coverage. He states that the Respondent has refused to pay medical bills for his brother's surgery on April 28, 1987, as well as medical bills incurred by his brother during the two-year period prior to this surgery. The Complainant's representative states that after benefits were denied, she telephoned both the Respondent and the insurance carrier; the Respondent then stated that the brother was not covered and the insurance carrier's representative stated that she had been mistaken when she previously reported that the brother was covered. The representative for the Complainant contends that the Respondent should at least be responsible for payment of the unpaid medical

bills incurred by the Complainant's brother prior to April 30, 1987, when the Complainant was notified that his brother was not eligible for coverage.

The Respondent states that the Complainant's brother cannot be considered an eligible dependent under Article II D. of the Employer Benefit Plan, and therefore he is not entitled to health benefits coverage. For this reason, the Respondent contends that it is not responsible for payment of the medical bills incurred by the Complainant's brother.

Dispute

Whether the Respondent is responsible for providing health benefits coverage for the Complainant's brother under the terms of the Employer Benefit Plan.

Positions of the Parties

Position of the Complainant: The Respondent is responsible for the unpaid medical bills incurred by the Complainant's brother because the Complainant provides full support for his brother and because the Respondent did not notify the Complainant that his brother was not eligible for coverage until after the outstanding medical bills were incurred.

Position of the Respondent: The Respondent is not responsible for payment of the medical bills incurred by the Complainant's brother because the Complainant's brother does not meet the criteria for an eligible dependent under the terms of the Employer Benefit Plan.

Pertinent Provisions

Article I (1), (2), (4) and (7) 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.

- (7) "Dependent" shall mean any person described in Section D of Article II hereof.

Article II D. of the Employer Benefit Plan provides:

Article II - Eligibility

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

D. Eligible Dependents

Health benefits under Article III shall be provided to the following members of the family of any Employee, Pensioner, or disabled Employee receiving health benefits pursuant to paragraphs A, B, or C of this Article II:

- (1) A spouse who is living with or being supported by an eligible Employee or Pensioner;
- (2) Unmarried dependent children of an eligible Employee or Pensioner who have not attained age 22;
- (3) A parent of an eligible Employee, Pensioner or Spouse, if the parent has been dependent upon and living in the same household (residence) with the eligible Employee or Pensioner for a continuous period of at least one year;
- (4) Unmarried dependent grandchildren of an eligible Employee, Pensioner or spouse who have not attained age 22 and are living in the same household (residence) with such Employee or Pensioner;
- (5) Dependent children (of any age), of an eligible Employee, Pensioner or Spouse, who are mentally retarded or who become disabled prior to attaining age 22 and such disability is continuous and are either living in the same household with such Employee or Pensioner or are confined to an institution for care or treatment. Health benefits for such children will continue as long as a surviving parent is eligible for health benefits.

For purposes of this paragraph D, a person shall be considered dependent upon an eligible Employee, Pensioner or spouse if such Employee, Pensioner or spouse provides on a regular basis over one-half of the support to such person.

Discussion

Article II D. of the Employer Benefit Plan provides health benefits coverage for the eligible dependents of any Employee, Pensioner or disabled Employee receiving health benefits pursuant to paragraphs A, B, or C of Article II of the Plan. Article II D. specifies the family members who are considered eligible dependents; a brother of an Employee is not listed as an eligible dependent. In addition, the issue of an Employee's sibling's eligibility for health benefits coverage under the Employer Benefit Plan has previously been addressed by the Trustees in RODs 81-048 and 84-124 (copies enclosed herein). The Trustees concluded that brothers and sisters of beneficiaries are not eligible as dependents for benefits coverage unless they have been adopted by the participant. Although the Complainant's brother resides in the Complainant's household and is dependent upon the Complainant for his support, he is not the Complainant's legally adopted child, and therefore does not meet the criteria for dependency under the Employer Benefit Plan.

In this case, the Complainant contends that the Respondent had confirmed his brother's eligibility for coverage and is therefore responsible for payment of the medical charges incurred by the Complainant's brother prior to April 30, 1987, when he was notified that his brother was not eligible for coverage. The Complainant has been unable to provide evidence of any written notification from the Respondent that his brother was eligible for health benefits coverage. Absent such evidence, the Trustees conclude that the Respondent is not responsible for providing health benefits coverage for the Complainant's brother, consistent with Article II D. of the Employer Benefit Plan and the opinions cited above.

Opinion of the Trustees

The Respondent is not responsible for providing health benefits coverage for the Complainant's brother under the terms of the Employer Benefit Plan.