
OPINION OF TRUSTEES

In Re

Complainant: Pensioner
Respondent: Employer
ROD Case No: 84-481 - November 11, 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

The Complainant was injured while working in a classified job for the Respondent on September 29, 1983. Funds' records indicate that the Complainant returned to work briefly in October 1983 and for two days in April 1984, but he was unable to continue working because of pain and complications related to his accident. His last classified signatory employment in the coal industry was for the Respondent on April 24, 1984. The Complainant subsequently filed for Social Security Disability Insurance ("SSDI") benefits under Title II of the Social Security Act. His application was approved on September 28, 1986, effective October 7, 1983.

The Complainant filed an application for disability pension benefits under the UMWA 1974 Pension Plan on January 5, 1987. The Complainant was notified that he was eligible for a 1974 Pension Plan Minimum Disability pension, retroactive to November 1, 1983, the month following the month in which his SSDI benefits were effective. He was advised to contact his last signatory employer, the Respondent, concerning the provision of health benefits coverage as a pensioner.

The Respondent has refused to provide health benefits coverage for the Complainant. Counsel for the Respondent has stated that the Complainant is not entitled to health benefits coverage because he is not a "Pensioner" as defined under Article I (5) of the Employer Benefit Plan. Counsel for the Respondent also contends that the Respondent fulfilled its obligation to provide health benefits coverage for the Complainant as a disabled Employee by providing continued coverage from the date last worked until October 3, 1985, when the Complainant was discharged for failure to provide medical evidence of continuing disability.

Dispute

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

Positions of the Parties

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

Position of the Respondent: Counsel for the Respondent states that the Respondent is not responsible for providing health benefits coverage for the Complainant because the Complainant is not a "Pensioner" as defined under Article I (5) of the Employer Benefit Plan. Furthermore, the Complainant is not entitled to any additional period of continued benefits coverage as a disabled Employee.

Pertinent Provisions

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. (I) of the Employer Benefit Plan provide:

Article II - Eligibility

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

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 I (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 II B. of the Employer Benefit Plan states that an Employer shall provide health benefits and life insurance to Pensioners whose last classified signature employment was with such Employer. Article I (5) of the plan defines such Pensioners as "any person who is receiving a pension [under the 1974 Pension Plan], 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."

The Complainant was awarded a Minimum Disability pension, effective November 1, 1983, pursuant to Article II D. of the 1974 Pension Plan. The evidence contained in the Complainant's record was reviewed, and the Funds' original decision that the Complainant is entitled to such pension benefits was confirmed. The Respondent contends that the Complainant does not satisfy the definition of Pensioner as set forth in Article I (5) of the Employer Benefit Plan because the Complainant's Minimum Disability pension is based on years of service credited under the terms of Article II G of the 1974 Pension Plan. Under the terms of the 1974 Pension Plan there is no minimum signatory service requirement to qualify for a Minimum Disability pension. Consequently, the complainant's eligibility for a Minimum Disability pension is not based, either in whole or in part, on years of service credited under Article II G of the 1974 Pension Plan. Inasmuch as the complainant is receiving a 1974 Pension Plan Minimum Disability Pension, he

is a Pensioner within the definition of Article I (5) of the Employer Benefit Plan, and is eligible to receive health benefits under Article II B. thereof. Therefore, the Respondent is responsible for providing health benefits coverage for the complainant and his eligible dependents from the effective date of his pension, November 1, 1983, for as long as he continues to satisfy the eligibility requirements of Article II B. of the Employer Benefit Plan.

Opinion of the Trustees

The Complainant meets the requirements of eligibility as provided by Article II B. of the Employer Benefit Plan. Therefore, the Respondent is responsible for the provision of health benefits coverage for the Complainant and his eligible dependents pursuant to the Plan's terms, effective November 1, 1983, for as long as the Complainant continues to satisfy those requirements.