

OPINION OF TRUSTEES

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In Re

Complainant: Surviving Spouse  
Respondent: Employer  
ROD Case No: 84-539 - February 25, 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 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 payment of a life insurance benefit or the surviving spouse of an Employee under the terms of the Employer's Benefit Plan.

Background Facts

The Complainant is the surviving spouse of an Employee who worked in a classified job for the Respondent from May 5, 1969 until August 27, 1986, when he was laid-off. The Employee worked over 2,000 hours for the Respondent during the 24 consecutive calendar month period prior to his date last worked. The Respondent provided continued health, life and accidental death and dismemberment insurance coverage for the Complainant through August 31, 1987.

On September 13, 1987, the Complainant's husband died as a result of a self-inflicted gunshot wound. The death certificate indicates that the employee's death was suicide. The representative for the Complainant alleges that the Employee's fatal wound occurred accidentally, while he was cleaning a gun. The Complainant received a lump-sum life insurance payment of \$30,000 from the Respondent. The representative for the Complainant contends that the Complainant is entitled to an additional \$30,000 as the Complainant's husband's death was due to accidental means.

The Respondent contends that the Complainant is only entitled to the \$30,000 life insurance benefit which has been paid. The Respondent states that because the Complainant's husband's death occurred during the 31-day conversion period following the termination of his life insurance coverage, \$30,000 is the maximum benefit payable in accordance with Article III. D. (3)(a) of the Employer Benefit Plan.

Dispute

Is the Respondent responsible for the payment of a \$60,000 accidental death benefit to the Complainant?

### Positions of the Parties

Position of the Complainant: The representative for the Complainant contends that the Complainant is entitled to a \$60,000 accidental death benefit because her husband's death was due solely to accidental means.

Position of the Respondent: The Respondent is not responsible for the payment of a \$60,000 accidental death benefit to the Complainant.

### Pertinent Provisions

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. (1) of the 1984 Employer Benefit Plan provides:

#### Article II - Eligibility

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

##### A. Active Employees

Benefits under Article III shall be provided to any Employee who:

- (1) is actively at work for the Employer on the effective date of the Wage Agreement;  
or...

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\* "Actively at work" includes an Employee who was actively at work on September 30, 1984, and who returns to active work with the Employer within two weeks after the effective date of the Wage Agreement.

Article III D. (3) (a) of the Employer Benefit Plan provide:

#### Article III - Benefits

##### D. General Provisions

##### (3) Conversion Privilege

##### (a) Life Insurance

Upon application to the insurance carrier within 31 days after life insurance coverage terminates, the Employee may, subject to applicable state insurance laws, arrange to continue life insurance protection under an individual policy, for an amount not greater than \$30,000 without evidence of insurability. Such individual policy may be on any one of the forms of policy then customarily issued by the insurance company, other than a policy of term insurance or one which provides disability benefits in the event of accidental death, and will be issued at the rate applicable to the Employee's age and class of risk at the time.

#### Discussion

Under Article III D. (3)(a) of the Employer Benefit Plan, if an Employee's life insurance coverage terminates, the Employee may convert to an individual policy upon application to the insurance carrier within 31 days of such termination. The Employee in this case died within the 31-day conversion period following the termination of his life insurance coverage and the Respondent paid a \$30,000 life insurance benefit to his beneficiary, the Complainant. Article III D. 3) (a), stipulates that the maximum amount of life insurance protection under an individual policy is \$30,000 without evidence of insurability, and that such policy may not include disability benefits in the event of an accidental death. Therefore, inasmuch as the Complainant's husband died within the 31-day conversion period, the Complainant is not entitled to a \$60,000 accidental death benefit, the cause of death notwithstanding.

#### Opinion of the Trustees

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The Respondent is not responsible for the payment of a \$60,000 accidental death benefit to the Complainant.