
OPINION OF TRUSTEES

In Re

Complainant: Disabled Employee
Respondent: Employer
ROD Case No: 84-618 - 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 benefits coverage for a disabled Employee under the terms of the Employer Benefit Plan.

Background Facts

The Complainant was employed in a classified position with Henry C Coal Company until August 26, 1986, when he sustained a job-related knee injury. As a result of his injury, the Complainant was awarded Workers' Compensation and he did not return to work with Henry C Coal Company. The Complainant states that surgery was performed on his knee on October 24, 1986 and November 5, 1986.

The Complainant was employed by the Respondent, Harman Mining Corporation, from January 26, 1987 until June 25, 1987, when he ceased working in order to have another operation on his knee. Funds' records indicate that the Complainant worked 964 hours for the Respondent in the 24-month period prior to June 25, 1987. The Respondent provided continued health benefits coverage for the Complainant until February 1, 1988.

The Complainant states that a disabled Employee is entitled to continued health benefits coverage during his period of eligibility for Sickness and Accident ("S&A") benefits. He therefore contends that the Respondent is responsible for providing his continued health benefits coverage for 52 weeks beginning June 25, 1987, since an Employee whose disability results from an accident is eligible for 52 weeks of S&A benefits under the terms of the Wage Agreement.

The Respondent contends that the Complainant is not eligible for S&A benefits from the Respondent because the Complainant's disability occurred during his employment with a previous

employer, Henry C Coal Company. The Respondent states that the Complainant has received the maximum continuation of coverage under the terms of the Employer Benefit Plan.

Dispute

Whether the Respondent is responsible for providing health benefits coverage for the Complainant beyond February 1, 1988.

Positions of the Parties

Position of the Complainant: The Respondent is responsible for providing continued health benefits coverage for the Complainant for 52 weeks, beginning June 25, 1987, his last date worked.

Position of the Respondent: The Complainant has received the maximum continuation of coverage for which he is eligible under the terms of the Employer Benefit Plan.

Pertinent Provisions

Article XI, Section (b) of the National Bituminous Coal Wage Agreement of 1984 provides in pertinent part:

Section (b) Eligibility

Benefits shall not be payable in the event that the Employee's employment had been terminated, or if he was laid off or was granted a leave of absence prior to his disability, or in the event that his disability is the direct result of an injury suffered prior to his employment with the Employer or while the Employee is engaged in employment other than classified employment with his Employer.

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 G. (3) of the Employer Benefit Plan provides:

Article II - Eligibility

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

C. Disabled Employees

In addition to disabled Pensioners who are receiving pension benefits and are therefore entitled to receive health benefits under paragraph B of this Article II, health benefits under Article III shall also be provided to any Employee who:

(3) Is receiving or would, upon proper application, be eligible to receive Sickness and Accident Benefits pursuant to the Wage Agreement.

Life and accidental death and dismemberment insurance shall also be provided to Employees described in (3) above.

Article III D. (1)(a) and (b) 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:

<u>Number of Hours Worked for the Employer in the 24 Consecutive Calendar Month Period Immediately Prior to the Employee's Date Last Worked</u>	<u>Period of Coverage Continuation from the Date Last Worked</u>
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

(b) Disability

Except as otherwise provided in Article II, section C, if an Employee ceases work because of disability, the Employee will be eligible to continue health, life and accidental death and dismemberment coverage while disabled for the greater of (i) the period of eligibility for Sickness and Accident benefits, or (ii) the period as set forth in the schedule in (a) above.

Discussion

Under Article III. D. (1)(b) of the Employer Benefit Plan, the Employer is required to provide continued health benefits coverage to a disabled Employee for the greater of (i) the period of eligibility for Sickness and Accident benefits, or (ii) the period of eligibility based on the number of hours worked for the Employer during the 24-month period prior to his date last worked.

Article XI of the 1984 Wage Agreement states that S&A benefits shall not be payable in the event that an Employee's disability is the direct result of an injury suffered prior to his employment with the Employer. It is undisputed by the parties that the Complainant's disability is the result of an injury he sustained prior to his employment with the Respondent. Therefore, the Complainant is not eligible for S&A benefits from the Respondent and his eligibility for continued health benefits coverage must be based on the number of hours worked for the Respondent in the 24-month period prior to June 25, 1987, in accordance with Article III. D. (1)(b) of the Employer Benefit Plan. Inasmuch as the Complainant worked 964 hours for the Respondent during that period, he was eligible for continued health benefits coverage from the Respondent for the balance of June 1987 plus 6 months. The Respondent has fulfilled its obligation to the Complainant by providing continued health benefits coverage until February 1, 1988.

Opinion of the Trustees

The Respondent is not responsible for providing any additional period of continued health benefits coverage for the Complainant under the terms of the Employer Benefit Plan.