
OPINION OF TRUSTEES

In Re

Complainant: Pensioner
Respondent: Employer
ROD Case No: 84-679 - November 1, 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 under the terms of the Employer Benefit Plan for a Pensioner who failed to enroll in Medicare.

Background Facts

The Pensioner, who was born on December 14, 1928, is receiving a Deferred Vested retirement pension under the UMWA 1974 Pension Plan, effective January 1, 1984. On June 27, 1984, he was awarded Social Security Disability Insurance ("SSDI") benefits by decision of an Administrative Law Judge, retroactive to November 1982.

The Pensioner has submitted copies of medical bills incurred from June 2, 1986 through January 18, 1988. He states that the Employer has refused to provide health benefits for those services because he was eligible for, but not enrolled in, Medicare Part B. The Pensioner contends that he never received a copy of the Summary Plan Description of the Employer Benefit Plan and that he was not aware of the requirement to enroll in Medicare Part B. The Pensioner has since enrolled in Medicare Part B, effective July 1, 1988.

The Employer contends that it provided adequate notification of the Pensioner's responsibility to enroll in Medicare Part B by providing a copy of the Summary Plan Description to the Pensioner. The Employer has denied payment of medical bills incurred by the Pensioner during the period he was eligible for, but not enrolled in, Medicare Part B.

Dispute

Is the Employer responsible for providing health benefits coverage for the Pensioner during the period that the Pensioner was eligible for, but not enrolled in, Medicare Part B?

Positions of the Parties

Position of the Pensioner: The Employer is responsible for the provision of health benefits for the Pensioner during the period he was not enrolled in Medicare Part B, from November 1984 through June 1988, because he did not know that such enrollment was required.

Position of the Employer: The Employer is not responsible for the provision of health benefits for the Pensioner during the period he was eligible for, but not enrolled in, Medicare Part B. The Complainant received adequate notification of his obligation to enroll when he received his copy of the Employer Benefit Plan.

Pertinent Provisions

Article III. A. (10) (d) of the Employer Benefit Plan provides in pertinent part:

(d) Medicare

1. For Employees age 70 and over, Pensioners, and surviving spouses, the benefits provided under the Plan will not be paid to a Beneficiary otherwise eligible if such Beneficiary is eligible for Hospital Insurance coverage (Part A) of Medicare where a premium is not required and/or Medical Insurance coverage (Part B) of Medicare unless such Beneficiary is enrolled for each part of Medicare for which such Beneficiary is eligible. Any such Beneficiary who is enrolled in a Medicare program shall receive the benefits provided under the Plan only to the extent such benefits are not provided for under Medicare.

...

The Plan Administrator shall give written notification of the obligation to enroll with respect to 1. above and of the options to enroll with respect to 2. above. For active Employees, such notice shall be given prior to their 65th birthdays, but subsequent to their 64th birthdays. Said notice shall explain the limited annual enrollment period and the effect of failing to enroll if retirement should occur prior to the next enrollment period. Failure to provide such notification shall not remove any obligation to enroll.

Discussion

Article III. A. (10)(d) of the Employer Benefit Plan stipulates that the benefits provided under the Plan will not be paid to a Pensioner who is eligible for Medicare unless such Pensioner is enrolled in each part of Medicare for which he is eligible. The Pensioner was eligible to enroll in Medicare, Parts A and B, in November 1984, after 24 months of entitlement to SSDI benefits. The Pensioner was enrolled in Medicare Part A, effective November 1, 1984; however, he has indicated that he did not enroll in Medicare Part B at that time, because he did not know that such enrollment was required.

Article III. A. (10)(d) of the Plan provides that the Plan Administrator shall give written notification of a beneficiary's obligation to enroll in each part of Medicare for which he is eligible. While the Plan Administrator states that a copy of the Employer Benefit Plan with this information was distributed to the Pensioner and constitutes written notice of his obligation to enroll in Medicare Part B, the Pensioner contends that he never received a copy of the Plan booklet. This dispute notwithstanding, the Trustees note that while the 1984 Employer Benefit Plan contains a requirement that the Employer provide written notification of a beneficiary's obligation to enroll in Medicare, the Plan clearly stipulates that failure to provide such notification does not remove the beneficiary's obligation to enroll. Inasmuch as the Pensioner was eligible for Medicare Part B on November 1, 1984, but was not enrolled until July 1, 1988, the Employer is not responsible for the provision of health benefits during the period the Pensioner failed to enroll in each part of Medicare for which he was eligible.

Opinion of Trustees

The Employer is not responsible for providing health benefits for the Pensioner during the period November 1, 1984 through June 30, 1988, because the Pensioner failed to enroll in Medicare Part B as required under the Employer Benefit Plan.