
OPINION OF TRUSTEES

In Re

Complainant: Employee
Respondent: Employer
ROD Case No: 84-690 - April 19, 1989

Board of Trustees: Joseph P. Connors, Sr., Chairman; Paul R. Dean, Trustee; William Miller, Trustee; Donald E. Pierce, Jr., Trustee; Thomas H. Saggau, 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 under the terms of the Employer Benefit Plan.

Background Facts

The Complainant was employed in a classified position with the Respondent from July 27, 1987 until December 1987. The Complainant states that the Respondent provided him with a health insurance card on July 27, 1987; however, his coverage was effective for only one month, September 1987, because the Respondent failed to pay the insurance premiums. The Complainant states that, as a result, he incurred medical bills in August 1987 that have not been paid. The Complainant asks whether the Respondent is responsible for payment of the unpaid medical bills.

Dispute

Whether the Respondent is responsible for payment of the Complainant's outstanding medical bills for services rendered in August 1987.

Positions of the Parties

Position of the Complainant: The Respondent is responsible for payment of the covered medical charges incurred by the Complainant and his eligible dependents during his employment with the Respondent under the terms of the Employer Benefit Plan.

Position of the Respondent: The Respondent has not replied to repeated correspondence from Funds' staff requesting its position in this dispute.

Pertinent Provisions

Article XX (c)(3)(i) of the National Bituminous Coal Wage Agreement of 1984 provides in pertinent part:

- (3)(i) Each signatory Employer shall establish and maintain an Employee benefit plan to provide, implemented through an insurance carrier(s), health and other non-pension benefits for its Employees covered by this Agreement as well as pensioners, under the 1974 Pension Plan and Trust, whose last signatory classified employment was with such Employer. The benefits provided by the Employer to its eligible Participants pursuant to such plans shall be guaranteed during the term of this Agreement by that Employer at levels set forth in such plans.

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. (4) of the Employer Benefit Plan provides:

Article II - Eligibility

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

A. Active Employee

- (4) A new Employee will be eligible for health benefits from the first day worked with the Employer.

Discussion

Article XX Section (c)(3)(i) of the 1984 Wage Agreement requires an Employer to provide an Employer Benefit Plan... "implemented through an insurance carrier(s), E for health and other non-pension benefits..." It further requires that "benefits provided by the Employer to its eligible Participants pursuant to such plans shall be guaranteed during the term of this Agreement by that Employer at levels set forth in such plans."

Article II A. (4) of the Employer Benefit Plan provides that an Employee is eligible for health benefits coverage from the first day worked with the Employer. Accordingly, the Complainant became eligible for health benefits coverage from the Respondent on July 27, 1987, his first day worked with the Respondent. Inasmuch as the Complainant was eligible for health benefits coverage as an active Employee of the Respondent at the time the outstanding medical bills were incurred, the Respondent is responsible for payment of the covered medical charges under the terms of the Employer Benefit Plan.

Opinion of the Trustees

The Respondent is responsible for payment of the covered medical charges incurred by the Complainant and his eligible dependents during his active employment with the Respondent under the terms of the Employer Benefit Plan.