
OPINION OF TRUSTEES

In Re

Complainant: Pensioner
Respondent: Employer
ROD Case No: 84-724 - May 29, 1991

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 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 July 24, 1986. As a result of this injury, the Complainant ceased working on July 25, 1986. The Respondent provided continued health benefits coverage for the Complainant through August 31, 1987.

On April 8, 1987, the Complainant applied for disability pension benefits from the UMWA 1974 Pension Plan. His application was initially denied because he was not receiving Social Security Disability Insurance ("SSDI") benefits. On September 26, 1988, the Complainant's application for SSDI benefits was approved on appeal by an Administrative Law Judge-with a disability onset date of July 24, 1986. On June 22, 1989, the Complainant was determined eligible for a 1974 Pension Plan disability pension effective August 1, 1986, and was told to contact his last signatory employer, the Respondent, regarding his eligibility for health benefits coverage.

The Respondent was signatory to the National Bituminous Coal Wage Agreement ("Wage Agreement") of 1984, which expired on January 31, 1988, and did not sign the 1988 Wage Agreement. The Respondent has refused to provide health benefits coverage for the Complainant as a Pensioner, stating that it fulfilled its obligations to the Complainant by providing coverage through August 31, 1987.

The Complainant is eligible for health benefits coverage under the UMWA 1974 Benefit Plan and Trust effective February 1, 1988. The Complainant contends that the Respondent is required to provide benefits for medical expenses incurred by him and his dependents during the period from September 1, 1987 to February 1, 1988.

Dispute

Is the Respondent required to provide benefits for medical expenses incurred by the Complainant and his eligible dependents during the period from September 1, 1987 to February 1, 1988?

Positions of the Parties

Position of the Complainant: The Respondent is required to provide benefits for medical expenses incurred by the Complainant and his eligible dependents during the period from September 1, 1987 to February 1, 1988.

Position of the Respondent: The Respondent has fulfilled its obligations to the Complainant by providing health benefits coverage through August 31, 1987.

Pertinent Provisions

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

(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. Such plans shall also include that each signatory Employer continue to make the death benefit payments in pay status as of December 5, 1877, for deceased Employees and pensioners under the 1974 Pension Plan whose last signatory classified employment was with such Employer, in the same manner and in the same amounts as previously provided for in the 1974 Benefit Plan and Trust. The Plans established pursuant to this subsection are incorporated by reference and made a part of this Agreement, and the terms and conditions under which the health and other non-pension benefits will be provided under such plans are as to be set forth in such plans.

Article I (I), (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 provides:

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 XX Section (c)(3)(i) of the 1984 Wage Agreement requires a signatory Employer to establish and maintain an Employer Benefit Plan to provide health and other non-pension benefits for its Pensioners whose last signatory classified employment was with such Employer. The Wage Agreement stipulates that benefits provided pursuant to such Plan shall be guaranteed during the term of the Agreement. Article II B. of the Employer Benefit Plan provides health benefits for a Pensioner who is receiving a 1974 Pension Plan pension, with certain exceptions not relevant here. The Complainant's last signatory classified employment was with the Respondent and he is receiving a 1974 Pension Plan disability pension effective August 1, 1986. Therefore, the Respondent is responsible for providing health benefits coverage for the Complainant and his eligible dependents from that date through the expiration of the 1984 Wage Agreement on January 31, 1988. The Respondent previously provided health benefits coverage to the Complainant as a disabled Employee from July 25, 1986 through August 31, 1987. The Respondent is required to provide additional health benefits for covered medical expenses incurred by the Complainant as a Pensioner and by his eligible dependents during the period from September 1, 1987 through January 31, 1988.

Opinion of the Trustees

The Respondent is required to provide health benefits for covered medical expenses incurred by the Complainant and his eligible dependents during the period from September 1, 1987 through January 31, 1988, the expiration date of the 1984 Wage Agreement.