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## OPINION OF TRUSTEES

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### In Re

Complainants: Employees, Pensioners and Surviving Spouses  
Respondent: Employer  
ROD Case No: 88-029 - October 12, 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 art 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.

### Background Facts

The Complainants are active Employees, Pensioners and surviving spouses of Pensioners, whose last signatory classified employment was with the Respondent. The representative for the Complainants states that the Respondent has failed to pay insurance premiums for the Complainants' health benefits coverage in a timely manner. As a result, the Complainants have incurred unpaid bills for medical services. The Complainants have submitted copies of unpaid bills, notices from collection agencies of payments due, and a letter indicating that one provider will no longer honor the medical card provided to the Respondent's Employees because of the number of pending claims. The representative contends that the Respondent is not providing health benefits coverage for the Complainants as required by Article XX (c)(3)(i) of the National Bituminous Coal Wage Agreement ("Wage Agreement") of 1988.

### Dispute

Whether the Respondent is responsible for payment of the medical expenses incurred by the Complainants and their eligible dependents.

### Positions of the Parties

Position of the Complainants: The Respondent is responsible for providing health benefits coverage for the Complainants and for payment of the covered medical expenses incurred by the Complainants and their eligible dependents.

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 1988 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), (4) 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 1988, 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.
- (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 if, part on years of service credited under the terms of Article II & 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 A. (1) and (4), B. (1) and E. (2) of the Employer Benefit Plan provide:

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

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) February 1, 1988, 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 1(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.

E. Surviving Spouse and Dependents of Deceased Employees or Pensioners

Health benefits under Article III shall be provided to (i) any unmarried surviving spouse (who was living with or being supported by the Employee or Pensioner immediately prior to the Employee's or Pensioner's death) and (ii) such spouse's unmarried surviving dependent children as defined in subparagraphs (2) and (5) of paragraph D, of an Employee or Pensioner who died:

- (2) Under conditions which qualify such spouse for a Surviving Spouse benefit under the 1974 Pension Plan or any successor thereto.

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\* Actively at work includes an Employee of the Employer who was actively at work on January 31, 1988, and who returns to active work with the Employer two weeks after the effective date of the Wage Agreement.

Article XX (c)(3)(i) of the 1988 Wage Agreement requires a signatory Employer to establish and maintain an Employer Benefit Plan to provide health and other non-pension benefits for its Employees and Pensioners whose last signatory classified employment was with such Employer. The Wage Agreement stipulates that benefits provided by the Employer pursuant to such Plan shall be guaranteed during the term of the Agreement by that Employer at levels set forth in such Plan.

Article II A. of the Employer Benefit Plan provides health benefits coverage for active Employees working in classified jobs for a signatory Employer. Article II B. establishes that individuals who are eligible for pension benefits under the UMWA 1974 Pension Plan are eligible for health benefits coverage under the Employer Benefit Plan. Article II E. of the Plan requires a signatory Employer to provide health benefits coverage to the unmarried surviving spouses of Pensioners who receive Surviving Spouse benefits under the 1974 Pension Plan. Inasmuch as the Complainants are active Employees, Pensioners and surviving spouses of Pensioners whose last signatory classified employment was with the Respondent, the Respondent is responsible for payment of the covered medical expenses incurred by the Complainants and their eligible dependents during their individual periods of eligibility for health benefits coverage, consistent with the terms of the Wage Agreement and the Employer Benefit Plan.

#### Opinion of the Trustees

The Respondent is responsible for payment of the covered medical expenses incurred by the Complainants and their eligible dependents during their individual periods of eligibility for health benefits coverage, consistent with the terms of the Wage Agreement and the Employer Benefit Plan.