

OPINION OF TRUSTEES

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In Re

Complainant: Surviving Spouse  
Respondent: Employer  
ROD Case No: 88-054 - November 8, 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 for the surviving spouse of an Employee under the terms of the Employer Benefit Plan.

Background Facts

The Complainant is the surviving spouse of an Employee who worked in a classified position for the Respondent from January 25, 1965 until July 17, 1986. On July 17, 1986, the Complainant's husband became disabled due to chronic illness and was unable to return to work. Information provided to the Funds indicates that he received Sickness and Accident ("S&A") benefits from July 18, 1986 until August 9, 1987. The Complainant's husband was awarded Social Security Disability Insurance ("SSDI") benefits, effective December 1986.

The representative for the Complainant states that because the Complainant's husband had completed over 20 years of credited service in the coal industry and was receiving SSDI benefits, he was eligible for health benefits coverage pursuant to Article II. C. (1) of the Employer Benefit Plan when he died on September 27, 1987, at the age of 51. The representative contends that the Complainant should be eligible for health benefits coverage as the surviving spouse of a disabled Employee who was receiving health benefits coverage at the time of his death.

The Respondent states that life insurance coverage is provided for a disabled Employee only if the Employee is receiving or would be eligible to receive S&A benefits. The Respondent states that since the Complainant's husband's maximum period of eligibility for S&A benefits was 52 weeks beyond the date of disability, July 17, 1986, he was not entitled to life insurance coverage at the time of his death on September 27, 1987. The Respondent contends that the Complainant is therefore not entitled to a life insurance benefit. The Respondent states that when life insurance benefits are not payable and the surviving spouse is not eligible for a 1974 Pension

Plan Surviving Spouse benefit, health benefits coverage for the surviving spouse shall be provided only to the end of the month in which the Employee died. The Respondent contends that, because the Complainant is not entitled to a life insurance benefit and she is not receiving a surviving spouse benefit, she is not eligible for health benefits coverage beyond September 30, 1987.

### Dispute

Is the Respondent responsible for providing the Complainant with health benefits coverage beyond September 30, 1987?

### Positions of the Parties

Position of the Complainant: The Respondent is responsible for providing health benefits coverage for the Complainant beyond September 30, 1987 because the Complainant's husband was eligible for health benefits coverage as a disabled Employee at the time of his death.

Position of the Respondent: Because the Complainant is not entitled to a life insurance benefit and is not receiving a Surviving Spouse benefit under the 1974 Pension Plan, the Respondent is responsible for providing health benefits coverage for the Complainant only to the end of the month in which her husband died, September 1987, under the terms of the Employer Benefit Plan.

### Pertinent Provisions

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 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.

Article II C. (1) and (3) and E. (3) of the Employer Benefit Plan provide:

#### 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:

- (1) (a) Has completed 20 years of credited service, including the required number of years of signatory service pursuant to Article IV C (6) of the 1974 Pension Plan or any corresponding paragraph of any successor thereto, and
  - (b) has not attained age 55, and
  - (c) became disabled after December 6, 1974 while in classified employment with the Employer, and
  - (d) is eligible for Social Security Disability Insurance Benefits under Title II of the Social Security Act or its successor;
- (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.

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:

- (3) At a time when such Employee or Pensioner is entitled to receive health benefits pursuant to paragraph A, B, or C of this Article II, provided that (i) if such Employee or Pensioner died prior to the effective date of the Wage Agreement and the spouse is not eligible for a Surviving Spouse's benefit, then only for the period that the spouse is eligible to receive death benefits in installment payments pursuant to paragraph C of Article III, or (ii) if such Employee or Pensioner died on or after the effective date of the Wage Agreement and the spouse is not eligible for a surviving Spouse's benefit and life insurance benefits or death benefits are payable in a lump

sum, then only for 60 months following the month of the death of such Employee or only for 22 months following the month of death of such Pensioner. If life insurance benefits are not payable, health benefits shall be provided only to the end of the month in which the Employee or Pensioner died.

#### Discussion

Article II E.(3) of the Employer Benefit Plan stipulates that, if life insurance benefits are not payable, health benefits coverage shall be provided for the surviving spouse of an Employee only to the end of the month in which the Employee died. Inasmuch as life insurance benefits were not payable at the time of the Complainant's husband's death on September 27, 1987, the Respondent is not responsible for providing health benefits coverage for the Complainant beyond September 30, 1987.

#### Opinion of the Trustees

The Respondent is not responsible for providing health benefits coverage for the Complainant beyond September 30, 1987, consistent with the terms of Article II E. of the Employer Benefit Plan.