

OPINION OF TRUSTEES

In Re

Complainant: Laid-off Employee
Respondent: Employer
ROD Case No: 88-091 - July 25, 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 a laid-off Employee under the terms of the Employer Benefit Plan.

Background Facts

The Complainant was employed by the Respondent at its No. 4 mine from November 14, 1983 until April 27, 1987, when the Complainant was laid off. During the 24-month period prior to April 27, 1987, the Complainant had worked over 2,000 hours for the Respondent. Consequently, the Respondent continued to provide health benefits coverage for the Complainant until April 30, 1988.

On June 3, 1988, the Complainant was recalled to work at the Respondent's No. 7 mine. The Complainant worked there until he was laid off on August 5, 1988. The Complainant worked 310 hours for the Respondent during this period. However, the Complainant worked 1,590 hours for the Respondent during the 24-month period prior to August 5, 1988. The Respondent again continued to provide health benefits coverage for the Complainant, but only for 30 days beyond August 5, 1988, based solely on the hours that the Complainant had worked from June 3, 1988 to August 5, 1988.

Dispute

Whether the Respondent is responsible for providing health benefits coverage for the Complainant beyond September 5, 1988.

Positions of the Parties

Position of the Complainant: The Respondent is responsible for providing health benefits coverage for the Complainant beyond 30 days subsequent to his August 5, 1988 layoff based on

the number of hours the Complainant worked for the Respondent during the 24-month period prior to August 5, 1988.

Position of the Respondent: The Respondent provided health benefits coverage for the Complainant for 30 days subsequent to his August 5, 1988 layoff based on the number of hours that the Complainant worked from June 3 through August 5, 1988. The Respondent is not responsible for providing health benefits coverage for the Complainant for any additional period 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 III D. (1) (a) of the Employer Benefit Plan provides:

Article III - Benefits

D. General Provisions

(1) Continuation of Coverage

(a) Layoff

If an Employee ceases work because of layoff, continuation of health, life and accidental death and dismemberment insurance coverage is as follows:

Number of Hours Worked for
the Employer in the 24
Consecutive Calendar Month
Period Immediately Prior to

Period of Coverage

<u>the Employee's Date Last Worked</u>	<u>Continuation from the Date Last Worked</u>
2,000 or more hours	Balance of month plus 12 months
500 or more but less than 2,000 hours	Balance of month plus 6 months
Less than 500 hours	30 days

Discussion

Article III D. (1) (a) of the Employer Benefit Plan provides that an Employee who ceases work because of layoff is entitled to continuation of health benefits coverage for a period based on the number of hours worked for the Employer in the 24 consecutive calendar month period immediately prior to the Employee's date last worked. Because the Complainant last worked for the Respondent on August 5, 1988, the time period to be used in determining the Complainant's eligibility period for health benefits coverage is the inclusive period of August 1986 through August 5, 1988. Funds' records indicate that the Complainant worked a total of 1,590 hours for the Respondent during this period. The fact that the Complainant worked these hours at two separate mine sites is not relevant. Accordingly, the Respondent is responsible for providing health benefits coverage for the Complainant for the balance of August 1988 plus 6 months, pursuant to Article III. D. (1)(a) of the Plan. This conclusion is consistent with previous decisions of the Trustees in RODs 262 and 81-400.

Opinion of the Trustees

The Respondent is responsible for providing health benefits coverage for the Complainant and his eligible dependents through February 28, 1989, consistent with the terms of the Employer Benefit Plan.