

OPINION OF TRUSTEES

In Re

Complainant: Laid-off Employees
Respondent: Employer
ROD Case No: 88-129 - September 26, 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 laid-off Employees under the terms of the Employer Benefit Plan.

Background Facts

On February 28, 1989, the Complainants, who were employed in classified positions by the Respondent, worked their regularly scheduled evening shift (3 p.m. to 11 pm.) plus overtime. They completed their work at approximately 12:20 a.m. on March 1, 1989. The Complainants were laid off, effective March 1, 1989.

Dispute

Whether the Complainants' date last worked for coverage continuation purposes is February 28, 1989 or March 1, 1989?

Positions of the Parties

Position of the Complainants: March 1, 1989 was the date last worked; therefore, the Complainants are entitled to continued health benefits coverage for the balance of March plus twelve months, or through March 31, 1990.

Position of the Respondent: February 28, 1989 was the date last worked by the Complainants. Although they worked overtime into March 1, 1989, they were merely completing their February 28 evening shift. Therefore, the Complainants are entitled to health benefits coverage for the balance of February plus twelve months or through February 28, 1990.

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.
- (3) "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

b. 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

Under Article III D. (1) (a) of the Employer Benefit Plan, the period of coverage continuation for a laid-off Employee is measured from the Employee's "date last worked." In this case, the Complainants argue that their continuation of coverage should be measured from March 1, 1989 because that was the calendar date on which they last worked for the Respondent. The Respondent asserts that the "date last worked" was February 28, 1989 because that was the date on which the Complainants' last shift began. Because there is not a definition of "date last worked" in the Employer Benefit Plan, the words should be given their literal meaning. The Complainants actually worked on March 1, 1989, irrespective of when their shift began. Thus, their "date last worked" is March 1, 1989.

Opinion of the Trustees

The Respondent is responsible for providing continued health benefits coverage for the Complainants for their individual periods of eligibility beyond March 1, 1989. Under the terms of the Employer Benefit Plan, the maximum period of coverage continuation would extend through March 31, 1990.