
OPINION OF TRUSTEES

In Re

Complainant: Pensioner
Respondent: Employer
ROD Case No: 88-193 - November 28, 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 Pensioner under the terms of the Employer Benefit Plan.

Background Facts

The Complainant was injured in a mine accident on April 24, 1984 while employed in a classified job for the Respondent. On February 5, 1986, the Social Security Administration determined that the Complainant was eligible for Social Security Disability Insurance ("SSDI") benefits with a disability onset date of March 7, 1985.

On June 1, 1986, the Complainant applied for disability pension benefits from the UMWA 1974 Pension Plan. The Complainant was subsequently notified that he was eligible for a 1974 Pension Plan Minimum Disability pension, effective April 1, 1985. The Complainant was advised to contact the Respondent, his last signatory employer, regarding his eligibility for health benefits as a disabled pensioner. The Complainant states that the Respondent has refused to provide him with health benefits coverage.

The Respondent contends that the Complainant is not entitled to coverage under the Employer Benefit Plan because the approval of his Minimum Disability pension was based upon his SSDI award. The Respondent also asserts that the Complainant was not "totally disabled as a result of a mine accident" because the Workers' Compensation Commission concluded that the Complainant had no permanent partial disability as a result of the April 24, 1984 mine accident. Finally, the Respondent asserts that the Complainant is ineligible for employer-provided health benefits because the Complainant has not satisfied the 1974 Pension Plan's vesting requirements.

Dispute

Is the Respondent responsible for providing health benefits coverage for the Complainant as a Pensioner?

Positions of the Parties

Position of the Complainant: The Respondent is responsible for providing health benefits coverage for the Complainant as a Pensioner.

Position of the Respondent: The Respondent is not responsible for providing health benefits coverage for the Complainant because the Complainant is not totally disabled, as required to qualify for a disability pension.

Pertinent Provisions

Article II D. of the 1974 Pension Plan provides:

D. Minimum Disability Retirement

Any Participant who (a) has less than 10 years of signatory service prior to retirement and (b) becomes totally disabled as a result of a mine accident occurring on or after [the effective date of the Wage Agreement] shall, upon retirement (hereinafter "Minimum Disability Retirement") be eligible for a pension while so disabled. A Participant shall be considered to be totally disabled only if by reason of such accident such Participant is subsequently determined to be eligible for Social Security Disability Insurance Benefits under Title II of the Social Security Act or its successor.

When a Participant who has been receiving a disability pension under this Section D recovers sufficiently to become Ineligible for Social Security disability benefits or Is disqualified because of earnings, the Trustees shall implement procedures to determine the Participant's ability to perform classified work in the industry. The continuance of a disability pension shall be based on medical evidence that supports the Participant's inability to be employed in classified work in the industry.

If such Participant is medically certified able to perform classified work in the industry, such Participant will no longer be eligible for a disability pension.

Article I (1), (2) and (5) of the 1984 and 1988 Employer Benefit Plans 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 [1988], 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. (1) of the 1984 and 1988 Employer Benefit Plans 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 [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 I(5) of this Plan, any such Pensioner who was eligible for benefits under the 1974 Benefit Plan as a Pensioner on December S, 1977, shall be eligible for such benefits, subject to all other provisions of this Plan.

Discussion

Article II 8. of the Employer Benefit Plan establishes that an Individual who is eligible for pension benefits under the 1974 Pension Plan Is eligible for health benefits coverage under the Employer Benefit Plan, with certain exceptions not relevant here.

The Complainant was awarded a Minimum Disability pension effective April 1, 1985 pursuant to Article II D. of the 1974 Pension Plan. Eligibility for disability pension benefits under Article II D. is conditioned upon a showing that the Employee is totally disabled as a result of a mine accident, and that by reason of such accident the employee is determined eligible for SSDI benefits. In accordance with Article II D., the Funds relied in part upon the Complainant's SSDI award in determining his eligibility for a Minimum Disability pension. A Funds' disability pension analyst has reviewed the evidence in the Complainant's file and affirmed the Funds' previous determination that the Complainant is totally disabled as result of a mine accident and entitled to a Minimum Disability pension pursuant to Article II D. of the 1974 Pension Plan. Under Article II. D. of the 1974 Pension Plan, there is no minimum service or "vesting" requirement to qualify for a Minimum Disability pension.

Inasmuch as the Complainant is receiving a Minimum Disability pension, he is eligible for health benefits coverage as a Pensioner under Article II B. of the Employer Benefit Plan established by his last signatory Employer, the Respondent. Therefore, the Respondent Is responsible for providing health benefits coverage for the Complainant and his eligible dependents, effective April 1, 1985, for as long as he continues to satisfy the eligibility requirements of Article II B. of the Employer Benefit Plan.

Opinion of the Trustees

The Respondent Is responsible for providing health benefits coverage for the Complainant and his eligible dependents, effective April 1, 1985, for as long as the Complainant continues to satisfy the requirements of Article II B. of the Employer Benefit Plan.