
OPINION OF TRUSTEES

In Re

Complainant: Disabled Employee
Respondent: Employer
ROD Case No: 88-251 - April 30, 1990

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 disabled Employee under the terms of the Employer Benefit Plan.

Background Facts

The Complainant, whose date of birth is November 11, 1941, was employed by the Respondent in a classified position from April 26, 1988 until June 17, 1988, when he ceased working because of health problems, including shortness of breath, arthritis and hearing loss. The Complainant applied for Social Security Disability Insurance ("SSDI") benefits on August 1, 1988. His application was initially denied, but was approved on appeal by an Administrative Law Judge on May 9, 1989, when the Complainant was awarded SSDI benefits for a period of disability commencing June 17, 1988. On July 27, 1989, an Administrative Law Judge for the Commonwealth of Kentucky, Department of Workers' Claims determined that the Complainant is suffering an occupational disability of 100 percent due to pneumoconiosis; benefits for such disability were awarded with an effective date of June 17, 1988.

In a letter dated August 22, 1989, the Funds notified the Complainant that he may be eligible for health benefits coverage as a disabled Employee because he is eligible for SSDI benefits and will be eligible upon attaining age 55 to receive a pension based on 22 3/4 years of credited signatory service. The Complainant was advised by the Funds to contact his last signatory Employer, the Respondent, to determine his eligibility.

The Complainant states that the Respondent has refused to provide health benefits coverage for him as a disabled Employee. The Respondent states that, because the Complainant was employed by the Respondent for only a short period of time, it is not likely that he acquired his type of disability while so employed. The Respondent therefore contends that it is not

responsible for providing health benefits coverage to the Complainant as a disabled Employee. In addition, the Respondent states that it is financially unable to provide health benefits coverage for the Complainant at the present time.

Dispute

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

Positions of the Parties

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

Position of the Respondent: The Respondent is not responsible for providing the Complainant's health benefits coverage since the Complainant's disability is not likely a result of his brief classified employment with the Respondent, and the Respondent is financially unable to provide health benefits coverage for the Complainant.

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) of the Employer Benefit Plan provides:

Article II - Eligibility

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 r Benefits under Title II of the Social Security Act or its successor.

Discussion

Under Article II. (1) of the Employer Benefit Plan, an Employee is eligible for health benefits coverage as a disabled Employee if he meets the following requirements: (a) has completed 20 years of credited service, including the required number of years of signatory service; (b) has not attained age 55; (c) became disabled after December 6, 1974 while in classified employment with the Employer; and (d) is eligible for Social Security Disability Insurance benefits. The Complainant clearly satisfies the requirements of Article II. C. (1) (a), (b), and (d). The issue here is whether the Complainant became disabled while in classified employment with the Respondent.

The Complainant ceased working for the Respondent on June 17, 1988 because of disabling health problems, including shortness of breath, arthritis, and hearing loss. This conclusion is supported by the Commonwealth of Kentucky, Department of Workers' Claims determination that the Complainant was 100 percent disabled due to occupational pneumoconiosis as of June 17, 1988, and the Complainant's award of SSDI benefits for a period of disability commencing June 17, 1988. Thus, the Complainant must be deemed to have been in the classified employment of the Respondent when he became disabled. Therefore, the Complainant has met each of the eligibility requirements of Article II C.(1) of the Employer Benefit Plan. The Respondent's claim that it is financially unable to provide health benefits does not relieve it of its obligation to provide such benefits under the Wage Agreement. Accordingly, the Respondent is responsible for providing the Complainants health benefits coverage as a disabled Employee.

Opinion of the Trustees

The Respondent is responsible for providing health benefits coverage for the Complainant as a disabled Employee as of June 17, 1988.