
OPINION OF TRUSTEES

In Re

Complainant: Surviving Spouse
Respondent: Employer
ROD Case No: 88-328 - January 25, 1993

Board of Trustees: Joseph P. Connors, Sr., Chairman; Paul R. Dean, Trustee;
Marty D. Hudson, Trustee; Elliot A. Seegal, 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 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 died of a heart attack on March 9, 1989, while employed in a classified position by the Respondent. The Respondent is signatory to the UMWA Coal Haulers' Contract of 1988 ("Coal Haulers Contract"). Article XVII of the Coal Haulers' Contract adopted Article XX of the National Bituminous Coal Wage Agreement of 1988 ("Wage Agreement").

On April 10, 1989, the Complainant applied for a Surviving Spouse benefit under the UMWA 1974 Pension Plan. Because the Complainant's husband was eligible for a 1974 Pension Plan Service Pension at the time of his death, the Complainant was eligible for a 1974 Pension Plan Surviving Spouse benefit effective April 1, 1989. The Complainant was advised to contact the Respondent, her husband's last signatory Employer, regarding her eligibility for health benefits coverage. The Complainant states that the Respondent has refused to provide her with health benefits coverage.

The representative for the Respondent states that it is not responsible for providing the Complainant's health benefits coverage because the Respondent is signatory to the Coal Haulers' Contract, not to the Wage Agreement. The Respondent's representative asserts that this dispute, therefore, does not fall under the jurisdiction of the Trustees. Furthermore, the Respondent's representative states that, even if it is responsible for benefits coverage under the Wage Agreement, a letter signed by the Complainant's husband constitutes a waiver of the Respondent's obligation to provide the Complainant with health benefits.

Dispute

Whether the Respondent is required to provide health benefits coverage for the Complainant as a Surviving Spouse under the Employer Benefit Plan.

Positions of the Parties

Position of the Complainant: The Complainant is entitled to health benefits coverage from the Respondent.

Position of the Respondent: The Respondent is not required to provide health benefits coverage for the Complainant because the Respondent is not signatory to the Wage Agreement and because the Complainant's husband waived the Complainant's rights to health benefits. The Respondent also claims that the Trustees do not have jurisdiction to resolve this dispute.

Pertinent Provisions

Article XVII of the Coal Haulers' Contract of 1988 provides:

Article XVII--Health and Retirement Benefits

Section (a) Adoption of Article XX of the National Bituminous Coal Wage Agreement of Article XX of the National Bituminous Coal Wage Agreement of 1988 Health and Retirement Benefits, set forth hereafter at Section (b), is adopted, but only insofar as it pertains to the 1974 Pension Plan and Trust and the 1974 Benefit Plan and Trust, and provided, that in consideration of each party of the first part (member companies of the Western Pennsylvania Coal Haulers' Association Labor Relations Division and individual signatories hereto) implementing through insurance carrier(s) the full health and non-pension benefits specified by the 1974 Benefit Plan and Trust for its Employees covered by this Agreement, as well as for retired and/or disabled Employees covered by the 1974 Pension Plan and Trust and such other persons whose entitlement to benefits under the terms of the 1974 Benefit Plan and Trust devolves from classified employment with such Employer, each party of the first part shall have no responsibility to make contributions to or otherwise be responsible for benefits provided under the "1974 Benefit Trust" except as provided in Section (d)(1)(iv), of Article XX of the National Bituminous Coal Wage Agreement of 1988.

Article XX, Section (c)(3)(i) of the Wage Agreement provides in pertinent part:

Each signatory Employer shall establish and maintain an Employee benefit plan to provide, implemented through an insurance carrier(s), health and other non-pension benefits for its Employees covered by this Agreement as well as pensioners, under the 1974 Pension Plan and Trust, whose last signatory classified employment was with such Employer. The benefits

provided by the Employer to its eligible Participants pursuant to such plans shall be guaranteed during the term of this Agreement by the Employer at levels set forth in such plans.

Section (e)(6) provides:

(6) Disputes arising under this Agreement with regard to the Employer Benefit Plan established in (c)(3) above shall be resolved by the Trustees. The Trustees shall develop procedures for the resolution of such disputes. Decisions of the Trustees shall be final and binding on the parties. Such disputes shall not be processed under the provisions of Article XXIII (Settlement of Disputes).

Articles 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 E. (2) of the Employer Benefit Plan provides:

Article II - Eligibility

The persons eligible to receive the health benefits pursuant to Article III are as follows:

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 of paragraph D of an Employee or Pensioner who died:

- (2) Under conditions which qualify such spouse for a Surviving Spouse benefit under the 1974 Pension Plan or any successor thereto;

Discussion

The Respondent contends that the Trustees do not have jurisdiction to resolve this dispute because the Respondent is not signatory to the Wage Agreement. The Respondent is signatory to the Coal Haulers' Contract which adopted Article XX of the Wage Agreement. Article XX,

Section 6 (c)(3)(i) of the Wage Agreement requires a signatory Employer to establish and maintain an Employer Benefit Plan to provide health and other non-pension benefits for its Employees and for its Pensioners whose last signatory classified employment was with such Employer. Because the Coal Haulers' Contract provides for an Employer Benefit Plan with coverage identical to that provided under the Wage Agreement, the Trustees have jurisdiction to decide this ROD. Moreover, Article XX, Section (e)(6) of the Wage Agreement, as adopted by the Coal Haulers' Contract, authorizes the Trustees to resolve disputes arising under the Employer Benefit Plan.

Article II E. (2) of the Employer Benefit Plan stipulates that health benefits coverage shall be provided to the surviving spouse and eligible dependents of an Employee or Pensioner who died under conditions which qualify the spouse for a Surviving Spouse benefit under the 1974 Pension Plan. Inasmuch as the Complainant is the surviving spouse of an Employee who died under conditions which qualify her for a Surviving Spouse benefit under the 1974 Pension Plan, she is entitled to health benefits coverage under Article II E. (2) of the Employer Benefit Plan.

The Respondent contends that it is not required to provide health benefits coverage for the Complainant because the Complainant's husband signed a letter waiving the Complainant's rights to benefits coverage under the Employee Benefit Plan. The letter states in relevant part:

I [the Complainant's husband] am aware that all available insurance companies that writes [sic] insurance for United Mine Workers of America specifications have declined to insure me, therefore, I will accept the benefits provided under the Teamsters contract with [the Respondent].... I will not hold [the Respondent] liable for any other benefits than the Teamsters contract states.

The letter only refers to benefits coverage for the Complainant's husband, and does not contain any reference to benefits coverage for the Complainant. Thus, even if the letter were construed as a waiver of benefits coverage, such waiver would be limited to the benefits coverage that the Respondent was required to provide to the Complainant's husband. Accordingly, the Respondent is required to provide health benefits coverage for the Complainant as a Surviving Spouse pursuant to Article II E. (2) of the Employer Benefit Plan.

Opinion of the Trustees

The Respondent is required to provide health benefits to the Complainant as a Surviving Spouse consistent with the terms of Article II E. (2) of the Employer Benefit Plan.