
OPINION OF TRUSTEES

In Re

Complainant: Laid-off Employee
Respondent: Employer
ROD Case No: 88-329 - December 18, 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 laid-off Employee under the terms of the Employer Benefit Plan.

Background Facts

The Complainant worked in a classified position for the Respondent from March 21, 1990 until April 28, 1990, when the mine was idled. The Complainant was laid off on June 29, 1990. Funds' records indicate that the Complainant worked less than 500 hours for the Respondent during the 24-month period prior to April 28, 1990. The Respondent terminated the Complainant's health benefits coverage, effective June 30, 1990.

The Complainant has submitted copies of unpaid bills for a hearing examination and replacement binaural hearing aids that were obtained on June 25, 1990.

Dispute

Whether the Respondent is responsible for payment of the Complainant's outstanding bills incurred on June 25, 1990 for a hearing examination and replacement binaural hearing aids?

Positions of the Parties

Position of the Complainant: The Respondent is responsible for payment of the Complainant's outstanding bills incurred on June 25, 1990 for a hearing examination and replacement binaural hearing aids.

Position of the Respondent: The Respondent is not responsible for payment of the Complainant's bills because hearing examinations and hearing aids are not covered benefits

under the Respondent's health plan and because the Complainant could have continued to use his old hearing aids.

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. A. (11) (a) 2. (ii) and D. (1) (a) of the Employer Benefit Plan provide:

Article III - Benefits

A. Health Benefits

(11) General Exclusions

- (a) In addition to the specific exclusions otherwise contained in the Plan, benefits are also not provided for the following:

2. Services Rendered

...

- (ii) subsequent to the period after which a Beneficiary is no longer eligible for benefits under the Plan;

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:

<u>Number of Hours Worked for the Employer in the 24 Consecutive Calendar Month Period Immediately Prior to the Employee's Date Last Worked</u>	<u>Period of Coverage 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 continued benefits coverage for a laid-off Employee based on the number of hours worked for the Employer during the 24-month period prior to the date last worked. Inasmuch as the Complainant worked less than 500 hours in a classified position for the Respondent in the 24-month period prior to his date last worked, April 28, 1990, he is entitled to a period of coverage continuation as a laid-off Employee for 30 days from the date last worked. Accordingly, the Respondent is responsible for providing health benefits coverage for the Complainant through May 28, 1990.

Article III A. (11) of the Employer Benefit Plan specifically excludes coverage for services rendered subsequent to the termination of an Employee's period of eligibility for benefits under the Plan. Consequently, the Respondent is not responsible for providing coverage for services rendered to the Complainant after May 28, 1990.

Opinion of the Trustees

The Respondent is required to provide health benefits coverage for the Complainant and his dependents through May 28, 1990, consistent with the terms of Article III D. of the Employer Benefit Plan. The Respondent is not responsible for payment of medical expenses incurred by the Complainant after that date.

Opinion of Trustees
Resolution of Dispute
Case No. 88-329
Page 4