
OPINION OF TRUSTEES

In Re

Complainant: Pensioner
Respondent: Employer
ROD Case No: 88-347 - October 2, 1991

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 January 19, 1976 while employed in a classified job for the Respondent. As a result of this injury, the Complainant was awarded Workers' Compensation benefits. The Complainant worked intermittently after this injury, but ceased working on November 2, 1977 because of disability. The Complainant applied for Social Security Disability Insurance ("SSDI") benefits under Title II of the Social Security Act in December 1976, June 1979, November 1979 and March 1980. Each of those applications was denied. In February 1986, the Complainant reapplied for SSDI benefits. His application was approved by an Administrative Law Judge on December 2, 1987, with a disability onset date of April 17, 1980.

The Complainant subsequently applied for disability pension benefits from the UMWA 1974 Pension Plan. On November 4, 1988, the Complainant was notified that he was eligible for a 1974 Pension Plan Minimum Disability pension, effective May 1, 1980. The Complainant was advised to contact the Respondent, his last signatory employer, regarding his eligibility for health benefits coverage as a Pensioner.

The Respondent has refused to provide health benefits coverage for the Complainant.

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 disabled as a result of a mine accident.

Pertinent Provisions

Article I (1), (2) and (5) of the 1978 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 1978, as amended from time to time and any successor agreement.
- (5) "Pensioner" shall mean any person who is receiving a pension, other than a deferred vested pension based on less than 20 years of credited service, under the United Mine Workers of America 1974 Pension Plan (or any successor thereto) whose last classified employment was with the Employer.

Article II B. of the 1978 Employer Benefit Plan 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 also be provided to any Pensioner who is receiving pension benefits under the 1974 Pension Plan, or any successor thereto, provided that (i) the Pensioner is not receiving 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, or (ii) that the Pensioner is not receiving a deferred vested pension based on less than 20 years of credited service. Notwithstanding (i) and (ii) immediately above, any such Pensioner who was eligible for benefits under the 1974 Benefit Plan as a Pensioner on December 5, 1977, shall be eligible for such benefits, subject to all other provisions of this Plan.

Health benefits shall not be provided for any month in which the Pensioner earns more than \$200.

Article I (1), (2) and (5) of the 1981, 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 1981 (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 of the 1974 Pension Plan, or any corresponding paragraph of any successor thereto, under 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 1981, 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) June 7, 1981 (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 5, 1977, shall be eligible for such benefits, subject to all other provisions of this Plan.

Discussion

Article II B. of the Employer Benefit Plans established pursuant to the 1978, 1981, 1984 and 1988 Wage Agreements provides health benefits coverage for Pensioners. Article I (5) of those Plans defines such Pensioners as any person whose last classified signatory employment was with the Employer, and who is receiving a pension under the UMWA 1974 Pension Plan, other than (1) a deferred vested pension based on less than 20 years of credited service, or (2) a pension based in whole or in part on years of service credited under the terms of Article II of the 1974 Pension Plan.

The Complainant in this case is receiving a 1974 Pension Plan Minimum Disability pension, effective May 1, 1980. He is not receiving a deferred vested pension nor a pension based in whole or in part on years of service credited under the terms of Article II of the 1974 Pension Plan. Inasmuch as the Complainant is receiving a Minimum Disability pension and his last classified signatory employment was with the Respondent, he is a Pensioner within the definition of Article I (5) of the Employer Benefit Plan established by the Respondent, and is eligible to receive health benefits under Article II B. thereof. Accordingly, the Respondent is required to provide health benefits coverage for the Complainant and his eligible dependents from the effective date of his pension, May 1, 1980.

The Respondent has asserted that the Complainant is not entitled to a disability pension from the 1974 Pension Plan. Any Employer challenge of a pension eligibility decision must be raised in a separate procedure authorized by Article XX (g)(3) of the Wage Agreement, and may not be addressed by the Trustees in the ROD process.

Opinion of the Trustees

The Respondent is responsible for providing health benefits coverage for the Complainant as a Pensioner, effective May 1, 1980, consistent with the terms of the Employer Benefit Plan.