

OPINION OF TRUSTEES

In Re

Complainant: Employee
Respondent: Employer
ROD Case No: 88-379 - May 8, 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 an Employee under the terms of the Employer Benefit Plan.

Background Facts

The Complainant was employed in a classified job by the Respondent. Due to a back problem, the Complainant did not work during the period from November 11, 1988 to May 16, 1989. The Complainant returned to work for the Respondent on May 17, 1989, but he did not work after that date because of his back problem. The Respondent continued to provide health benefits coverage to the Complainant as a disabled Employee beyond May 17, 1989.

On March 21, 1990, the Respondent notified the Complainant that he was suspended with intent to discharge for misrepresenting his condition to the Respondent and fraudulently withholding his services in order to operate his own business and receive medical benefits from the Respondent. Following a meeting with the Respondent, the Complainant was notified on March 22, 1990 that his discharge would be effective immediately unless a grievance was filed within five days. The Complainant filed a grievance asking to be reinstated with all contractual rights and benefits due him, and the case was referred to an arbitrator. A hearing was held on March 27, 1990, at which time the Complainant's grievance was denied and the discharge was affirmed.

After the hearing, the Respondent's insurance carrier notified medical providers who had received payments for services provided to the Complainant after May 17, 1989 that such payments had been made incorrectly and should be refunded because the Complainant was not entitled to coverage beyond that date. The Complainant contends that he is eligible for health benefits coverage beyond May 17, 1989 through the date of his discharge in March 1990. The Respondent states that the Complainant's last day worked was May 17, 1989, and his health

benefits coverage was terminated as of that date in accordance with Article III D. (1) (e) of the Employer Benefit Plan.

Dispute

Whether the Respondent is required to provide health benefits coverage for the Complainant beyond May 17, 1989.

Position of the Parties

Position of the Complainant: The Respondent is required to provide health benefits coverage for the Complainant through March 22, 1990, when the Complainant was discharged.

Position of the Respondent: The Respondent is not required to provide health benefits coverage for the Complainant beyond May 17, 1989, his date last worked, in accordance with Article III D. (1)(e) of the Employer Benefit Plan.

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 classified job for the Employer, eligible to receive benefits hereunder.

Article II A. (1) of the Employer Benefit Plan provides:

Article II - Eligibility

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

A. Active Employees

Benefits under Article III shall be provided to any Employee who:

(1) is actively at work* for the Employer on the effective date of the Wage Agreement;

* Actively at work includes an Employee of the Employer who was actively at work on January 31, 1988, and who returns to active work with the Employer two weeks after the effective date of the Wage Agreement.

Article III b. (1)(e) of the Employer Benefit Plan provides, in pertinent part:

D. General Provisions

(1) Continuation of Coverage

(e) Quit or Discharge

If an Employee quits (for any reason) or Is discharged, health, life and accidental death and dismemberment Insurance coverage will terminate as of the date last worked....

Discussion

Article III b. (1)(e) of the Employer Benefit Plan states that if Employee quits or is discharged, health benefits coverage will terminate as of the date last worked. The Complainant in this case last worked for the Respondent on May 17, 1989. Inasmuch as the Complainant's discharge was upheld by an arbitrator on March 27, 1990, the Respondent is not responsible for providing health benefits coverage for the Complainant beyond the date last worked, May 17, 1989.

Opinion of the Trustees

The Respondent is not required to provide health coverage for the Complainant beyond May 17, 1989.