
OPINION OF TRUSTEES

In Re

Complainant: Disabled Employee
Respondent: Employer
ROD Case No: 88-381 - 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 benefits coverage for a disabled Employee under the terms of the Employer Benefit Plan.

Background Facts

On October 2, 1990, the Complainant was working in a classified position for the Respondent when he sustained a work-related injury. As a result of his injury, the Complainant ceased work on October 3, 1990 and was awarded Workers' Compensation benefits. Funds' records indicate that the Complainant worked over 2,000 hours for the Respondent during the 24-month period immediately prior to his date last worked.

The Complainant states that the Respondent has failed to provide his health benefits coverage as a disabled Employee. According to information provided to the Funds, the Complainant's health benefits coverage was cancelled November 30, 1990 when the Respondent laid off its Employees and ceased operations. The Complainant contends that the Respondent is required to pay his outstanding medical bills and to provide coverage for the remainder of his period of eligibility under the Employer Benefit Plan.

Dispute

Whether the Respondent is responsible for providing health benefits coverage for the Complainant beyond November 30, 1990.

Positions of the Parties

Position of the Complainant: The Respondent is responsible for providing health benefits coverage for the Complainant beyond November 30, 1990.

Position of the Respondent: The Respondent has not responded to repeated correspondence from Funds' staff requesting its position in this dispute.

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. (3) of the Employer Benefit Plan provides:

Article II - Eligibility

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

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:

- (3) Is receiving or would, upon proper application, be eligible to receive Sickness and Accident Benefits pursuant to the Wage Agreement.

Life and accidental death and dismemberment insurance shall also be provided to Employees described in (3) above.

Article III D. (1) (a), (b) and (d) of the Employer Benefit provide:

Article III - Benefits

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:

Number of Hours Worked for the Employer in the 24 Consecutive Calendar Month Period Immediately Prior to the Employee's Date Last Worked	Period of Coverage Continuation from the Date Last Worked
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

(b) Disability

Except as otherwise provided in Article II, section C, if an Employee ceases work because of disability, the Employee will be eligible to continue health, life and accidental death and dismemberment coverage while disabled for the greater of (I) the period of eligibility for Sickness and Accident benefits, or (ii) the period as set forth in the schedule in (a) above.

(d) Maximum Continuation of Coverage

In no event shall any combination of the provisions of (a), (b), (c), (e) or (g) above result in continuation of coverage beyond the balance of the month plus 12 months from the date last worked.

Discussion

Article II C. (3) of the Employer Benefit Plan provides health benefits coverage for a disabled Employee who is receiving or would be eligible to receive Sickness and Accident Benefits pursuant to the Wage Agreement. In addition, Article III D. (1) (b) provides that an Employee who ceases work because of disability will be eligible to continue health, life and accidental death and dismemberment coverage while disabled for the greater of (I) the period of eligibility

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for Sickness and Accident benefits, or (ii) the period based on the number of hours worked as set forth in Article III D. (1) (a). Inasmuch as the Complainant ceased work because of disability and had worked over 2,000 hours for the Respondent during the 24-month period prior to his date last worked, October 3, 1990, the Respondent is responsible for providing continued benefits coverage for the Complainant, for up to 12 months beyond October 1990, the maximum period allowable under Article III. D., provided the Complainant remains disabled.

Opinion of the Trustees

The Respondent is responsible for providing health benefits coverage for the Complainant and his eligible dependents for the remainder of his period of eligibility beyond November 30, 1990 up to October 31, 1991, consistent with the terms of the Employer Benefit Plan.