
OPINION OF TRUSTEES

In Re

Complainant: Disabled Employee
Respondent: Employer
ROD Case No: 88-419 - September 25, 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 continued benefits coverage for a disabled Employee under the terms of the Employer Benefit Plan.

Background Facts

The Complainant was injured on March 15, 1990, while working in a classified position for the Respondent. He received Workers' Compensation benefits and did not return to work for the Respondent until February 1991. The Complainant ceased working on March 7, 1991 due to a disability. The Complainant has stated that he was not eligible for Sickness and Accident benefits during the period of disability which began March 7, 1991 because the maximum number of weeks during which he was entitled to such benefits had elapsed during his original period of disability following the accident on March 15, 1990. The Complainant claims that he worked approximately 860 hours for the Respondent during the 24-month period prior to March 7, 1991 and, therefore, he should receive health benefits coverage as a disabled employee for six months beyond March 1991.

The Respondent states that the appropriate period for determining the Complainant's health benefits coverage as a disabled employee is from March 8, 1989 to March 7, 1991. The Respondent states that the Complainant worked 499 1/2 hours during that period and is, therefore, eligible for continued health benefits coverage for only 30 days beyond March 7, 1991. The Respondent notified the Complainant that his health benefits coverage was terminated as of April 8, 1991.

Dispute

Whether the Respondent is required to provide continued health benefits coverage for the Complainant for six months beyond March 1991.

Positions of the Parties

Position of the Complainant: The Respondent is required to provide health benefits coverage for the Complainant for 6 months beyond March 1991 because the Complainant worked approximately 860 hours for the Respondent during the 24-month period prior to his date last worked.

Position of the Respondent: The Respondent is required to provide health benefits coverage for the Complainant for only 30 days beyond his date last worked because the Complainant worked 499 1/2 hours during the period from March 8, 1989 through March 7, 1991.

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 D. (1) (a) and (b) of the Employer Benefit Plan 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:

<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

(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.

Discussion

Article III D. (1) (b) of the Employer Benefit Plan 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 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) of the Plan. The Complainant states that he was not eligible for Sickness and Accident benefits when he ceased working on March 7, 1991. Thus, his period of coverage continuation beyond March 7, 1991 is based on the number of hours worked for the Employer in the 24 consecutive calendar month period immediately prior to his date last worked in accordance with the schedule set forth in Article III. D. (1) (a).

The Respondent has interpreted the phrase "24 consecutive calendar month period immediately prior to the Employee's date last worked" as the period between the Complainant's date last worked and the corresponding date exactly 2 years earlier. While such period is equivalent to a

period of 24 months and is "immediately prior to the ... date last worked," it is not a period of 24 consecutive "calendar months," which literally refers to months as they are designated on the calendar. Furthermore, in previous RODs, the Trustees have held that the time period to be used in calculating hours worked pursuant to Article III. D. (1) (a) includes the portion of the month in which the Complainant last worked plus the full 24 calendar months prior to that. See RODs 81-400 and 88-091 (copies enclosed herein). Consistent with those decisions, the time period to be used in calculating the Complainant's hours worked pursuant to Article III D. (1) (a) is the inclusive period of March 1989 through March 7, 1991.

Funds' records and information submitted by the Respondent in connection with this ROD indicate that the Complainant worked 547 1/2 hours for the Respondent during the inclusive period of March 1989 through March 7, 1991. Accordingly, the Respondent is responsible for providing health benefits coverage for the Complainant for the balance of March 1991 plus 6 months, pursuant to Article III D. (1) (a) of the Employer Benefit Plan.

Opinion of the Trustees

The Respondent is required to provide continued health benefits coverage for the Complainant and his eligible dependents through September 30, 1991, consistent with the terms of the Employer Benefit Plan.