
OPINION OF TRUSTEES

In Re

Complainant: Pensioner
Respondent: Employer
ROD Case No: 88-425 - October 31, 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 Pensioner under the terms of the Employer Benefit Plan.

Background Facts

The Complainant was injured while working in a classified job for the Respondent on May 10, 1985. As a result of his injury, he was unable to return to work and was awarded Workers' Compensation benefits. In October 1988, the Complainant applied for Social Security Disability Insurance ("SSDI") benefits under Title II of the Social Security Act. In December 1989, his application was approved on appeal by an Administrative Law Judge with a disability onset date of May 10, 1985.

On February 13, 1990, the Complainant filed an application for pension benefits under the UMWA 1974 Pension Plan. The Complainant was notified by letter dated September 14, 1990 that he was awarded a 1974 Pension Plan Minimum Disability pension, retroactive to June 1, 1985. The Complainant was advised to contact the Respondent, his last signatory employer, regarding his eligibility for health benefits coverage as a Pensioner. The Complainant states that the Respondent has refused to provide him with health benefits coverage.

According to the Respondent, the Complainant was injured while working for a previous employer and, although the Complainant claims the prior injury was aggravated by an accident that occurred while working for the Respondent, there were no witnesses to such accident. The Respondent states that the Complainant drove himself home the day such accident allegedly occurred and failed to return to work thereafter. The Respondent claims that another Employer may be responsible for providing the Complainant's health benefits coverage because the Respondent does not believe that the Complainant was injured while employed with the Respondent.

The Respondent also contends that if the Trustees determine that it is responsible for providing the Complainant's coverage, it should not be required to provide coverage prior to the date of the Trustees' decision.

Dispute

Is the Employer required to provide health benefits coverage for the Complainant as a Pensioner?

Positions of the Parties

Position of the Complainant: The Respondent is required to provide health benefits coverage for the Complainant effective June 1, 1985.

Position of the Respondent: The Respondent is not required to provide health benefits coverage for the Complainant as a disability Pensioner because the Complainant was injured while working in a classified job for a previous Employer. However, if the Trustees determine that the Respondent is required to provide coverage for the Complainant, the Respondent should not be required to provide coverage prior to the date of the Trustees' decision because the Wage Agreement does not specifically provide for retroactive payments and the Respondent should not have to pay expenses for which documentation may no longer be available.

Pertinent Provisions

Article XX Section (c)(3)(i) of the National Bituminous Coal Wage Agreements of 1984 and 1988 provides in pertinent part:

(3)(i) Each signatory Employer shall establish and maintain an Employee benefit plan to provide, implemented through an insurance carrier(s), health and other non-pension benefits for its Employees covered by this Agreement as well as pensioners, under the 1974 Pension Plan and Trust, whose last signatory classified employment was with such Employer. The benefits provided by the Employer to its eligible Participants pursuant to such plans shall be guaranteed during the term of this Agreement by that Employer at levels set forth in such plans.... The plans established pursuant to this subsection are incorporated by reference and made a part of this Agreement, and the terms and conditions under which the health and other non-pension benefits will be provided under such plans are as to be set forth in such plans.

Article I (1), (2) and (5) of the 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 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 the 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 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) October 1, 1984 [February 1, 1988], shall be eligible for coverage as a Pensioner under, and subject to all other provision 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 XX of the 1984 and 1988 Wage Agreements requires a signatory Employer to establish and maintain an Employer Benefit Plan to provide health and other non-pension benefits for Pensioners whose last signatory classified employment was with such Employer. Article II B. of the Employer Benefit Plan establishes that Pensioners are entitled to the health benefits provided under such Plan. Article I (5) of the Plan 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 a deferred vested pension based on less than 20 years of credited service, or 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 June 1, 1985. 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, and is eligible to receive health benefits under the Plan established by the Respondent.

The Respondent claims that it should not be required to provide health benefits for the Complainant prior to the date of the Trustees' decision in this case because the Wage Agreement does not provide for retroactive payments and it should not be required to pay expenses for which documentation may no longer be available. The issue of when an Employer's responsibility to provide health benefits coverage commences has previously been addressed by the Trustees. In RODs 78-343, 81-521, 84-437, 88-230 and 88-367 (copies enclosed herein), the Trustees concluded that an individual satisfies the definition of "Pensioner" as set forth in Article I (5) of the Employer Benefit Plan as of the effective date of his pension. Therefore, the Employer's obligation to provide health benefits coverage commences as of the pension effective date. The Complainant in this case became a Pensioner as defined in Article I (5) of the Plan effective June 1, 1985. Therefore, the Respondent is responsible for providing health benefits coverage for the Complainant and his eligible dependents from that date, and for payment of the medical expenses incurred by the Complainant after June 1, 1985, provided documentation is submitted to show that the expenses are covered benefits.

Opinion of the Trustees

The Respondent is responsible for providing health benefits coverage for the Complainant as a Pensioner, effective June 1, 1985, and for payment of the covered medical expenses incurred after that date during the Complainant's eligibility for coverage under the Plan.