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OPINION OF TRUSTEES

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In Re

Complainant: Disabled Employee  
Respondent: Employer  
ROD Case No: 88-555 - May 7, 1992

Board of Trustees: Joseph P. Connors, Sr., Chairman; Paul R. Dean, Trustee; William Miller, Trustee; Donald E. Pierce, Jr., Trustee; Elliot A. Segal, 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 disabled Employee under the terms of the Employer Benefit Plan.

Background Facts

The Complainant, whose date of birth is March 12, 1938, worked in a classified position for the Respondent until he was laid off on June 28, 1986. The Respondent provided continued benefits coverage for the Complainant through June 30, 1987.

The Complainant applied for Social Security Disability Insurance ("SSDI") benefits in January 1987. He was notified by letter dated June 20, 1988 that he was awarded SSDI benefits for a period of disability commencing on February 25, 1987. The Funds notified the Complainant by letter dated January 6, 1992 that he may be eligible for health benefits coverage as a disabled Employee because he is eligible for SSDI benefits and will be eligible upon attaining age 55 to receive a pension based on 20 3/4 years of credited signatory service. The Complainant was advised by the Funds to contact his last signatory Employer, the Respondent, to determine his eligibility for such coverage.

The Respondent has refused to provide health benefits coverage for the Complainant as a disabled Employee, stating that the Complainant did not become disabled during his classified employment with the Respondent.

Dispute

Is the Respondent required to provide health benefits coverage for the Complainant as a disabled Employee?

Positions of the Parties

Position of the Complainant: The Respondent is required to provide health benefits coverage for the Complainant as a disabled Employee.

Position of the Respondent: The Respondent is not required to provide health benefits coverage for the Complainant as a disabled Employee because the Complainant was not disabled during his classified employment with the Respondent and he was not disabled at the time he was laid off by the Respondent.

#### 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. (1) of the Employer Benefit Plan provides:

#### Article II - Eligibility

##### 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:

- (1) (a) Has completed 20 years of credited service, including the required number of years of signatory service pursuant to Article IV C. (6) of the 1974 Pension Plan or any corresponding paragraph of any successor thereto, and
- (b) has not attained age 55, and

- (c) became disabled after December 6, 1974 while in classified employment with the Employer, and
- (d) is eligible for Social Security Disability Insurance Benefits under Title II of the Social Security Act or its successor;

Article III D. (1) (a) of the Employer Benefit Plan provides:

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 12 months	Balance of month plus
500 or more but less than 2,000 hours	Balance of month plus 6 months
Less than 500 hours	30 days

Discussion

Under Article II C. (1) of the Employer Benefit Plan, an Employee is eligible for health benefits coverage as a disabled Employee if he meets the following requirements: (a) has completed 20 years of credited service, including the required number of years of signatory service; (b) has not attained age 55; (c) became disabled after December 6, 1974 while in classified employment with the Employer; and (d) is eligible for Social Security Disability Insurance benefits. The Complainant clearly satisfies the requirements of Article II C. (1) (a), (b), and (d). The issue here is whether the Complainant became disabled while in classified employment with the Respondent.

The Complainant in this case ceased working for the Respondent on June 28, 1986 due to a layoff. On June 20, 1988, the Complainant was awarded SSDI benefits for a period of disability commencing on February 25, 1987. Although the Complainant was not actively-at work on the

date that his disability began, he was receiving continued benefits coverage as a laid-off Employee pursuant to Article III D. (1) (a) of the Employer Benefit Plan. In RODs 166, 81-488, 81-653 and 88-378 (copies enclosed herein), the Trustees have previously addressed the issue of whether an Employee who becomes disabled while on layoff is entitled to health benefits coverage as a disabled Employee under Article II C. (1). The Trustees have concluded that a laid-off Employee receiving continued benefits coverage under the Employer Benefit Plan is considered an Employee in classified employment. Consequently, if such Employee becomes disabled while receiving coverage under the Plan, he is considered to have become "disabled while in classified employment" within the meaning of Article II C. (1)(c) of the Employer Benefit Plan.

Inasmuch as the Complainant's disability began while he was receiving continued benefits coverage as a laid-off Employee, he meets the requirement of having become disabled while in classified employment with the Respondent. Accordingly, the Complainant is eligible for health benefits coverage as a disabled Employee under Article II C. (1) of the Employer Benefit Plan.

Opinion of the Trustees

The Respondent is required to provide health benefits coverage for the Complainant as a disabled Employee, beginning July 1, 1987, the day after the Complainant's coverage as a laid-off Employee was terminated.