
OPINION OF TRUSTEES

In Re

Complainant: Employee
Respondent: Employer
ROD Case No: 88-610 - September 14, 1992

Board of Trustees: Joseph P. Connors, Sr., Chairman; Paul R. Dean, Trustee; William Miller, 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 the grandchildren of an Employee under the terms of the Employer Benefit Plan.

Background Facts

The Complainant is eligible for health benefits coverage from the Respondent as an active Employee. The Complainant's daughter, her husband and their two children (ages 2 and 4) have resided with the Complainant and his spouse for the past one and one-half years. According to a statement submitted by the Complainant, the Complainant's daughter states that her parents support the children and pay the children's bills. The Complainant has asked that the Respondent provide health benefits coverage for his grandchildren since he provides their full support.

The Respondent refuses to provide the Complainant's grandchildren with health benefits coverage until the Complainant submits sufficient documentation that shows that the grandchildren are eligible dependents of the Complainant. The Respondent specifically requested a copy of the Complainant's most recent federal income tax return which the Complainant did not submit.

Dispute

Is the Respondent required to provide health benefits coverage for the Complainant's grandchildren under the terms of the Employer Benefit Plan?

Positions of the Parties

Position of the Complainant: The Complainant's grandchildren are entitled to health benefits coverage as dependents of the Complainant.

Position of the Respondent: The Complainant's grandchildren are not entitled to health benefits coverage because the Complainant has not submitted documentation that shows that the grandchildren are eligible dependents of the Complainant as described under the terms 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 a classified job for the Employer, eligible to receive benefits hereunder.

Article II D. (4) of the Employer Benefit Plan provides:

Article II - Eligibility

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

D. Eligible Dependents

Health benefits under Article III shall be provided to the following members of the family of any Employee, Pensioner, or disabled Employee receiving health benefits pursuant to paragraphs A, B, or C of this Article II:

- (4) Unmarried dependent grandchildren of an eligible Employee, Pensioner or spouse who have not attained age 22 and are living in the same household (residence) with such Employee or Pensioner;

For purposes of this paragraph D, a person shall be considered dependent upon an eligible Employee, Pensioner or spouse if such Employee, Pensioner or spouse provides on a regular basis over one-half of the support to such person.

Discussion

Article II D. (4) of the Employer Benefit Plan provides health benefits coverage -for the unmarried dependent grandchildren of an eligible Employee or spouse, so long as the grandchildren have not attained age 22 and are living in the same household with such Employee. Article II D. further states that a person shall be considered dependent upon an eligible Employee if such Employee provides on a regular basis over one-half of the support to such person. In addition, in Question and Answer (Q&A) H-2 (81) (copy enclosed herein), the Trustees stated that a person is considered a dependent of a participant if the participant regularly provides over one-half of the person's support. Support includes the fair rental value of lodging, reasonable cost of board, clothing, miscellaneous household services and education expenditures, excluding scholarships. Support is not limited to necessities.

The Trustees have previously concluded in RODs 81-300, 84-011, 84-014, 84-020 and 88-009 that an Employer may require Employees to furnish reasonably available information at reasonable intervals to establish date of birth, marital status and dependency for a spouse or a dependent, and that the Employer should allow an adequate period of time for the Employee to submit the required documentation. Therefore, in order for the Complainant's grandchildren to be considered dependents under the Employer Benefit Plan, the Complainant must provide sufficient documentation to demonstrate that the support he provides for each child constitutes more than one-half of the total monthly support necessary for each child. The statement submitted by the Complainant is not sufficient to establish that the Complainant provides the required level of support. Absent sufficient proof of dependency, the Respondent is not responsible for providing health benefits coverage for the Complainant's grandchildren.

Opinion of the Trustees

Absent sufficient proof of dependency, the Respondent is not responsible for providing health benefits coverage for the Complainant's grandchildren.