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## OPINION OF TRUSTEES

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### In Re

Complainant: Laid-off Employee  
Respondent: Employer  
ROD Case No: 88-631 - October 28, 1992

Board of Trustees: Joseph P. Connors, Sr., Chairman; Paul R. Dean, 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 laid-off Employee under the terms of the Employer Benefit Plan.

### Background Facts

The Complainant worked in a classified position for the Respondent from September 10, 1990 until he was laid off on December 4, 1991. According to pay stubs submitted by the Complainant, the Complainant worked 1,889 hours for the Respondent during the 24-month period prior to December 4, 1991. The Respondent provided continued health benefits coverage for the Complainant as a laid-off Employee through June 30, 1992.

The Complainant contends that the hours he accrued for vacation and sick leave constitute "hours worked" and, therefore, should be included in the same 24-month period in determining his period of continuation coverage. Thus, the Complainant asserts that he is eligible for continued health benefits coverage through December 31, 1992.

### Dispute

Is the Respondent required to provide health benefits coverage for the Complainant based upon hours accrued for vacation and sick leave?

### Positions of the Parties

Position of the Complainant: The Respondent is required to provide continuation coverage for the Complainant based upon the Complainant's hours accrued for vacation and sick leave.

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 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:

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

Discussion

Article III. D. (1) (a) of the Employer Benefit Plan provides continued benefits coverage for a laid-off Employee based on the number of "hours worked" for the Employer during the 24-month period immediately prior to the date last worked. The Employer Benefit Plan does not define "hours worked." However, a contract term that is plain and capable of only one reasonable interpretation should be given its literal meaning. Thus, it is reasonable to conclude that "hours worked" means those hours that an Employee performed classified work or other duties for the Employer. Therefore, hours accrued for vacation and sick leave may not be counted as hours worked for continuation of coverage purposes. Inasmuch as the Complainant's hours worked for the Respondent totaled more than 500 but less than 2,000 hours during the 24-month period immediately prior to his date last worked, the Respondent is responsible for providing health benefits coverage for the Complainant through June 30, 1992.

Opinion of the Trustees

The Respondent is only required to provide continuation of health benefits coverage for the Complainant based on the Complainant's hours actually worked for the Respondent. This does not include the Complainant's hours accrued for vacation and sick leave.