
OPINION OF TRUSTEES

In Re

Complainant: Laid-off Employee
Respondent: Employer
ROD Case No: 88-653 March 12, 1993

Board of Trustees: Joseph P. Connors, Sr., Chairman; Paul R. Dean, Trustee; Elliot A. Segal, Trustee; Marty D. Hudson, 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 last worked in a classified position for the Respondent on May 31, 1991. On June 5, 1991 the Complainant was laid off. Funds' records indicate that the Complainant worked over 2,000 hours for the Respondent during the 24-month period prior to his date last worked. The Respondent provided continuation of health benefits coverage for the Complainant as a laid-off Employee through May 31, 1992.

The representative for the Complainant contends that because the Complainant received vacation pay through June 4, 1991 and was laid off on June 5, 1991, the Complainant is eligible for continuation of coverage through June 30, 1992.

Dispute

Is the Respondent required to provide continuation of health benefits coverage for the Complainant beyond May 31, 1992?

Positions of the Parties

Position of the Complainant: The Respondent is required to provide continuation of health benefits coverage for the Complainant through June 30, 1992 because the Complainant received vacation pay through June 4, 1991 and was laid off on June 5, 1991.

Position of the Respondent: The Complainant is entitled to continuation of health benefits coverage from May 31, 1991, his date last worked, through May 31, 1992. Consistent with a previous decision of the Trustees in ROD 88-631, the Complainant's hours accrued for vacation may not be counted as hours worked for continuation of coverage purposes.

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:

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:

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
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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

Discussion

Under Article III D. (1)(a) of the Employer Benefit Plan, the period of coverage continuation for a laid-off Employee is measured from the Employee's date last worked. The Trustees have previously determined in ROD 88-631 (copy enclosed herein) that hours accrued for vacation leave may not be counted as hours worked for continuation of coverage purposes. Inasmuch as the Complainant's hours worked for the Respondent totaled 2,000 or more and his date last worked was on May 31, 1991, the Respondent is responsible for providing continued health benefits coverage for the Complainant through May 31, 1992.

Opinion of the Trustees

The Respondent is required to provide continued health benefits coverage for the Complainant through May 31, 1992, as determined under the terms of the Employer Benefit Plan.