
OPINION OF TRUSTEES

In Re

Complainant: Disabled Employee
Respondent: Employer
ROD Case No: 88-710 - December 15, 1993

Board of Trustees: Michael H. Holland, Chairman; Thomas F. Connors, Trustee;
Marty D. Hudson, Trustee; Robert T. Wallace, Trustee.

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 worked in a classified position for the Respondent until he was laid off on September 23, 1987. The Respondent provided continued benefits coverage for the Complainant through September 30, 1988.

The Complainant applied for Social Security Disability Insurance ("SSDI") benefits in June 1988. In April 1989, his application was approved on appeal by an Administrative Law Judge with a disability onset date of April 23, 1988.

The Complainant filed an application for pension benefits under the UMWA 1974 Pension Plan and was advised by letter dated April 14, 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 years of credited 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 does not have 20 years of credited service.

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 does not have 20 years of credited service.

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	Balance of month plus
12 months	
500 or more but less than 2,000 hours	Balance of month plus
Less than 500 hours	6 months
	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 pursuant to Article IV C(6) of the 1974 Pension Plan; (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 satisfies the service pension eligibility requirements of the UMWA 1974 Pension Plan and is not yet age 55. He received an SSDI award effective April 28, 1988, at which time he was receiving continuation of coverage as a laid-off Employee. The Trustees have previously concluded in RODs 166, 81-488, 81-653, 88-378 and 88-555, that a laid-off Employee receiving continued

benefits coverage under the Employer Benefit Plan is considered an Employee in classified employment. The Complainant's SSDI award establishes that he became disabled after December 6, 1974, while in classified employment with the Respondent. Inasmuch as the

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Complainant satisfies the requirements of Article II C.(1), the Complainant is eligible for health benefits coverage as a disabled Employee.

The Respondent has asserted that the Complainant is not eligible for health benefits coverage as a disabled Employee because he does not have 20 years of credited service as required under Article IV C(6) of the 1974 Pension Plan. Any Employer challenge of a pension eligibility decision must be raised in a separate procedure authorized by Article XX Section (g) (3) of the Wage Agreement, and may not be addressed by the Trustees in the ROD process.

Opinion of the Trustees

The Respondent is required to provide health benefits coverage for the Complainant as a disabled Employee beginning October 1, 1988, the day after the Complainant's coverage as a laid-off Employee was terminated. Any Employer challenge of a pension eligibility decision must be raised in a separate procedure authorized by Article XX Section (g) (3) of the Wage Agreement, and may not be addressed by the Trustees in the ROD process.