
OPINION OF TRUSTEES

In Re

Complainant: Employee
Respondent: Employer
ROD Case No: 88-746 - March 25, 1996

Trustees: Thomas F. Connors, Michael H. Holland, Marty D. Hudson and
Robert T. Wallace.

The Trustees have reviewed the facts and circumstances of this dispute concerning the provision of benefits under the terms of the Employer Benefit Plan.

Background Facts

The Complainant last worked in a classified position for the Respondent on April 23, 1993. The Respondent ceased operations on April 30, 1993, and the Complainant was laid off.

The Respondent was signatory to the National Bituminous Coal Wage Agreement ("Wage Agreement") of 1988 which expired February 1, 1993, and has not signed the 1993 Wage Agreement. The Complainant states that he along with the other Employees continued working for the Respondent after the expiration of the Wage Agreement because they were informed by a UMWA representative that there was an extension of the Wage Agreement of 1988 pending the negotiation of a new agreement.

The Complainant states that the Respondent provided health benefits coverage through Connecticut General Life Insurance Company until June 30, 1992, when his coverage was terminated. The Complainant has submitted copies of medical bills incurred during the period of September 30, 1992, through February 24, 1993. The Complainant contends that the Respondent is required to provide benefits for his outstanding medical bills incurred while he was employed by the Respondent.

Dispute

Is the Respondent required to provide payment of the medical expenses incurred by the Complainant from September 30, 1992, through February 24, 1993?

Positions of the Parties

Position of the Employee: The Respondent is required to provide benefits for the Complainant's covered medical expenses incurred during the period from September 30, 1992, through February 24, 1993.

Position of the Respondent: The Respondent had not replied to repeated correspondence from Funds' staff requesting its position in this dispute.

Pertinent Provisions

Article XX Section (c)(3)(i) of the National Bituminous Coal Wage Agreement of 1988 provides, in pertinent part:

(3)(i) Each signatory Employer shall establish and maintain an Employee benefit plan to provide, implemented through an insurance carrier(s), health and other non-pension benefits for its Employees covered by this Agreement as well as pensioners, under the 1974 Pension Plan and Trust, whose last signatory classified employment was with such Employer. The benefits provided by the Employer to its eligible Participants pursuant to such plans shall be guaranteed during the term of this Agreement by that Employer at levels set forth in such plans....

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. A. (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:

A. Active Employees

Benefits under Article III shall be provided to any Employee who:

- (4) A new Employee will be eligible for health benefits from the first day worked with the Employer.

Discussion

Article XX Section (c)(3)(i) of the 1988 Wage Agreement requires each signatory Employer to establish and maintain an Employer Benefit Plan to provide health and other non-pension benefits for its Employees. The Wage Agreement stipulates that benefits provided by the Employer pursuant to such Plan shall be guaranteed during the term of the 1988 Wage Agreement.

Article II A. of the Employer Benefit Plan provides health benefits coverage for active employees working in classified jobs for a signatory Employer. Inasmuch as the Complainant was actively employed in a classified position for the Respondent from July 1, 1992, to February 1, 1993, the expiration of the Wage Agreement, the Respondent is required to provide health benefits coverage for the Complainant during this period.

The next issue is whether the Respondent is responsible for providing health benefits coverage for the Complainant beyond the expiration of the 1988 Wage Agreement when the Respondent did not sign the 1993 Wage Agreement. "Benefits provided to Employees and their dependents are established through collective bargaining and may not be unilaterally changed by an Employer during contract negotiations at the expiration of a wage agreement, so long as the Employees continue working and no impasse has been reached, and no strike has occurred (ROD 81-631, copy enclosed herein)." Inasmuch as the Complainant continued working for the Respondent under the terms of the 1988 Wage Agreement through February 1993, no impasse had been reached and no strike had occurred, the Respondent is required to provide health benefits coverage for the Complainant through February 24, 1993.

Opinion of the Trustees

The Respondent is required to provide benefits for the covered medical expenses incurred by the Complainant during the period from July 1, 1992, through February 24, 1993.