

---

OPINION OF TRUSTEES

---

In Re

Complainant: Disabled Employee  
Respondent: Employer  
ROD Case No: 93-014 - November 20, 1996

Trustees: Thomas F. Connors, Michael H. Holland, Donald E. Pierce, Jr. and  
Elliot A. Segal.

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 Respondent was signatory to the National Bituminous Wage Agreement ("Wage Agreement") of 1988 which expired on February 1, 1993. The Respondent's Employees continued working under an extension of the 1988 Wage Agreement.

The Complainant was injured on February 4, 1993, while working in a classified position for the Respondent. On February 7, 1993, the Complainant ceased working due to his injury. As a result of this injury, the Complainant received Workers' Compensation benefits from February 7, 1993, through August 15, 1995. The Complainant's eligibility for Sickness and Accident Benefits ended on February 24, 1994. Funds' records indicate that the Complainant worked over 2,000 hours in the 24-month period prior to February 7, 1993. The Respondent provided continuation of coverage for the Complainant.

On June 16, 1993, the Respondent was struck by the United Mine Workers of America. According to information provided to the Funds, the Respondent terminated the Complainant's health benefits coverage effective June 18, 1993. On December 16, 1993, the Respondent signed the Wage Agreement of 1993 and reinstated continuation of coverage for the Complainant.

The Complainant returned to work on February 21, 1994. On February 23, 1994 the Complainant ceased work due to the same disability. Funds' records indicate that the Complainant worked more than 500 but less than 2,000 hours in the 24-month period prior to February 23, 1994. The Respondent provided continuation of coverage for the Complainant through August 31, 1994.

Dispute

Is the Respondent required to provide continuation of coverage for the Complainant from June 19, 1993, through December 15, 1993, and beyond August 31, 1994?

Positions of the Parties

Position of the Complainant: The Respondent is required to provide coverage for the Complainant from June 19, 1993 through December 15, 1993, and beyond August 31, 1994.

Position of the Employer: The Complainant is not eligible for additional benefits coverage because the Complainant has received the maximum amount of coverage allowed under the Employer Benefit Plan.

Pertinent Provisions

Article I (1), (2), and (4) of the 1988 and 1993 Employer Benefit Plans 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 [1993], 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. (2) of the 1993 Employer Benefit Plan provides:

A. Active Employees

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

- (2) is on layoff or disabled from the Employer and had continuing eligibility as of the Effective Date of the Wage Agreement for coverage under the 1988 Employer's Benefit Plan ("prior Plan") as a laid-off or disabled employee. Coverage for such laid-off or disabled Employees shall not continue beyond the date when they would no longer have been eligible for coverage under the provisions of the prior Plan.

Article III D. (1) (a) and (b) of the 1988 and 1993 Employer Benefit Plans provide:

Article III - Benefits

D. General Provisions

- (1) Continuation of Coverage

(a) Layoff

If an Employee ceases work because of a 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 6 months
Less than 500 hours	30 days

(b) Disability

Except as otherwise provided in Article II, Section C, if an Employee ceases work because of disability, the Employee will be eligible to continue health, life and accidental death and dismemberment insurance coverage while disabled for the greater of (i) the period of eligibility for Sickness and Accident benefits, or (ii) the period set forth in the schedule in (a) above.

Article III D. (2) of the 1988 Employer Benefit Plan provides:

(2) Advanced Insurance Premiums

In the event of an economic strike at the expiration of the 1988 Bituminous Coal Wage Agreement, the Employer shall advance the premiums for its health, vision care, and life and accidental death and dismemberment insurance coverage for the first 30 days of such strike. Such advanced premiums shall be repaid to the Employer by such Employees through a check-off deduction upon their return to work. Should a strike continue beyond 30 days, the Union or such Employees may elect to pay premiums themselves.

Discussion

The Complainant ceased work on February 7, 1993 because of disability. Article III D. (1)(b) of the Employer Benefit Plan provides continued benefits coverage for a disabled Employee who ceases work because of disability for the greater of (i) the period of eligibility for Sickness and Accident benefits, or (ii) the period of eligibility determined pursuant to Article III. D. (1)(a). The Complainant's eligibility for Sickness and Accident benefits terminated on February 24, 1994. His eligibility under Article III D. (1) (a) initially expired on February 28, 1994. Therefore, the Complainant was eligible for benefits coverage through February 28, 1994.

On June 16, 1993, the Respondent was struck by the United Mine Workers of America. In the event of an economic strike, Article III D. (2) of the Employer Benefit Plan requires the Employer to advance the Employees' insurance premiums for only the first 30 days of such strike. Therefore, the Respondent is required to advance the Complainant an insurance premium for the first 30 days of the strike.

On December 16, 1993, the Respondent signed the Wage Agreement of 1993 and reinstated the Complainant's benefits coverage. Under Article II A. (2) of the Employer Benefit Plan, as amended in 1993, the Complainant's eligibility for continuation of coverage is continued under the 1993 Plan for the period for which the Complainant would have been eligible under the prior (1988) Plan.

The Complainant returned to work on February 21, 1994 and ceased work due to the same disability on February 23, 1994. Under Article III D. (1) of the Employer Benefit Plan, the Complainant is entitled to continued benefits coverage for the balance of February 1994, plus six months, or through August 31, 1994. The Complainant's eligibility for Sickness and Accident Benefits ended on February 24, 1994. Inasmuch as Article III D. (1) (a) provides continued benefits coverage for the greater of these two periods, the Complainant is eligible for benefits coverage through August 31, 1994.

#### Opinion of the Trustees

The Respondent is required to advance an insurance premium for the first 30 days of the strike. The Respondent is not required to provide continued benefits coverage beyond August 31, 1994.