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OPINION OF TRUSTEES

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In Re

Complainant: Active Employee  
Respondent: Employer  
ROD Case No: 93-060 - October 10, 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 Complainant was called back to work as a classified Employee in March 1995 by the Respondent, a signatory Employer. The Complainant's son, whose date of birth is February 8, 1974, is employed and lives in the Complainant's household. The Complainant contends that his son, prior to attaining age 22, was eligible for health benefits coverage as his dependent because he provided over one-half of his son's support. The coverage period in question is from March 1995 through February 7, 1996.

The Respondent reviewed documentation provided by the Complainant concerning his son's income and the support that the Complainant provided to his son. The Respondent states that the Complainant's son was not eligible for benefits because the Complainant did not provide over one-half of his son's support.

Dispute

Is the Respondent required to provide health benefits coverage for the Complainant's son as a dependent prior to his attaining age 22?

Positions of the Parties

Position of the Complainant: The Respondent is required to provide health benefits coverage for the Complainant's son for the period in question because the Complainant provided over one-half of the his son's support.

Position of the Respondent: The Respondent is not required to provide health benefits coverage for the Complainant's son for the period in question because the Complainant did not provide over one-half of his son's support.

Pertinent Provisions

Article I. (1), (2), (4) and (7) of the Employer Benefit Plan provides:

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 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.
- (7) "Dependent" shall mean any person described in Section D of Article II hereof.

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

Article II - Eligibility

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D. Eligible Dependents

Health benefits under Article III shall be provided to the following members of the family of any Employee, Pensioner, or disabled Employee receiving health benefits pursuant to paragraphs A, B, or C of this Article II:

- (2) Unmarried dependent children of an eligible Employee or Pensioner who have not attained age 22;

\* \* \*

For purposes of this paragraph D, a person shall be considered dependent upon an eligible Employee, Pensioner or spouse if such Employee, Pensioner or spouse provides on a regular basis over one-half of the support to such person.

Discussion

Under Article II. D. (2) of the Employer Benefit Plan, health benefits are provided to unmarried dependent children of an eligible Employee who have not attained age 22. Article II. D. provides that children are considered dependent upon the eligible Employee, if such Employee provides on a regular basis over one-half of the child's support. According to Q&A H-2 (81) (copy enclosed herein), support includes the fair rental value of lodging, reasonable cost of board, clothing, miscellaneous household services and education expenditures; support is not limited to necessities. The Trustee have previously concluded that an Employer may require Employees to furnish reasonable available information at reasonable intervals to establish, update, or verify date of birth, marital status and dependency for a spouse or a dependent. (See ROD 88-500)

The Complainant submitted to the Respondent an estimate of \$9,739 that the Complainant provided to support his son. As the information submitted by the Respondent did not include an estimate of the Complainant's yearly household expenses, additional information concerning these expenses was requested by Funds' staff. Based on the documentation submitted by the Complainant, Funds' staff has calculated that the Complainant's yearly household expenses totalled approximately \$15,299.00. The household consists of the Complainant and his son, therefore, each person's pro rata portion of these expenses was \$7,649.50. The Complainant also submitted information concerning expenses for car payments and clothing which were attributable to the Complainant's son, rather than the household as a whole, and which totalled approximately \$2,578. The Complainant's son's pro rata portion of household expenses added to his claimed direct personal expenses equaled a total annual expense of approximately \$10,227.50.

The Complainant's son's gross annual income for 1995 was \$16,626.18, which provided considerably more than 50% of his annual support requirements. Accordingly, the Trustees conclude that the Complainant did not provide over one-half of his son's support and the Respondent is not required to provide health benefits coverage for the Complainant's son prior to his attaining age 22.

#### Opinion of the Trustees

The Respondent is not required to provide health benefits coverage for the Complainant's son prior to his attaining age 22 under the terms of the Employer Benefit Plan.