
OPINION OF TRUSTEES

In Re

Complainant: Employee
Respondent: Employer
ROD Case No: 93-106 – March 17, 2000

Trustees: A. Frank Dunham, Michael H. Holland, Marty D. Hudson, 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, whose date of birth is July 29, 1949, worked in a classified position for the Respondent until he was laid off on February 16, 1995. At the time of his layoff, the Complainant had worked over 2,000 hours for the Respondent in the 24 consecutive calendar month period immediately prior to his date last worked. He was eligible for continuation of health, life and accidental death and dismemberment insurance for the balance of the month plus 12 months or through February 1996. On September 18, 1995, the Complainant accepted employment with another employer and the Respondent terminated the Complainant's continuation of coverage. On November 14, 1998, the Complainant was notified that he was awarded Social Security Disability Insurance ("SSDI") benefits effective July 9, 1997.

The Respondent has refused to provide health benefits coverage for the Complainant as a disabled Employee and has stated that the Complainant did not become disabled while employed in a classified position with the Respondent.

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 benefits coverage for the Complainant as a disabled Employee.

Position of the Respondent: The Respondent is not required to provide benefits coverage for the Complainant as a disabled Employee because the Complainant was not disabled while in classified employment with the Respondent.

Pertinent Provisions

Article I (1), (2) and (4) of the 1993 Employer Benefit Plan provide:

ARTICLE I DEFINITIONS

The following terms shall have the meanings herein set forth:

- (1) "Employer" means (Insert 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.

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 section 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) 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:

<u>Number of Hours Worked for the Employer in 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 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 as set forth in the schedule in (a) above.

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; (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 requirements of Article II C. (1) (a), (b), and (d). The issue here is whether the Complainant became disabled while in classified employment with the Respondent and satisfies the requirement of Article II C. (1) (c).

The Complainant was awarded SSDI benefits effective July 9, 1997. A laid-off Employee who is awarded SSDI benefits while eligible for continuation of coverage under Article III D. (1) (a) is considered to have become disabled while in classified employment within the meaning of Article II C. (1) (c). (See RODs 166, 81-488, 81-653, and 88-555). However, the Complainant in this case was not eligible for continuation of coverage under Article III D. (1) (a) when he was awarded SSDI benefits on July 9, 1997. Thus, the Complainant is not considered to have become disabled while in classified employment within the meaning of Article II C. (1) (c) of the Employer Benefit Plan.

Opinion of the Trustees

The Respondent is not required to provide coverage for the Complainant as a disabled Employee under Article II C. (1).