

OPINION OF TRUSTEES

In Re

Complainant: Surviving Spouse
Respondent: Employer
ROD Case No: 260 - May 28, 1986

Board of Trustees: Joseph P. Connors, Sr., Chairman; Paul R. Dean, Trustee; William B. Jordan, Trustee; William Miller, Trustee; Donald E. Pierce, Jr., Trustee.

Pursuant to Article IX of the United Mine Workers of America ("UMWA") 1950 Benefit Plan and Trust, and under the authority of an exemption granted by the United States Department of Labor, the Trustees have reviewed the facts and circumstances of this dispute concerning eligibility for health benefits coverage for a surviving spouse under the terms of the Employer Benefit Plan.

Background Facts

The Complainant is the surviving spouse of a disabled miner who died on June 8, 1977 at age 51. He had last worked in a classified job for the Respondent on March 14, 1975; he had more than 20 years of credited service, and was receiving Social Security Disability Insurance benefits at the time of his death. The Miner's disability and death did not result from a mine accident.

The Complainant's spouse had been eligible for health benefits as a disabled employee pursuant to Article II.C.(1) of the 1974 Benefit Plan, effective December 6, 1974. Following his death, Complainant became eligible for health benefits, until death or remarriage, pursuant to Article II.E.(2) of the 1974 Benefit Plan. She did not receive a death benefit. In January 1979 she was notified by the Funds that, under the 1978 Wage Agreement, her husband's last signatory employer was responsible for her health benefits after March 27, 1978.

The Respondent determined that the Complainant was not eligible for health benefits under its Employer Benefit Plan because the Complainant was not eligible for death benefits or for a Surviving Spouse's benefit.

Dispute

Is the Respondent responsible for the provision of health benefits to the Complainant under the Employer Benefit Plan?

Position of Parties

Position of Complainant: The Respondent or the 1974 Benefit Plan and Trust is responsible for the provision of health benefits to me and my dependent children following the expiration of the 1974 Wage Agreement.

Position of Respondent: Respondent is not responsible for providing health benefits to Complainant because Complainant was not eligible for death benefits or for a Surviving Spouse's benefit.

Pertinent Provisions

Article II.C.(1) and E(2) of the UMWA 1974 Benefit Plan and Trust, effective December 6, 1974, provide:

C. Disabled Miners

In addition to disabled miners 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 miner 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,
- (b) has not attained age 55, and
- (c) becomes disabled after the effective date and is eligible for Social Security Disability Insurance Benefits under Title II of the Social Security Act or its successor;

E. Surviving Spouse and Dependents of Deceased Miners

Health benefits under Article III shall be provided to (1) any unmarried surviving spouse and (2) her unmarried surviving dependent children as defined in subparagraphs (2) and (5) of paragraph D, of a miner who died:

- (2) At a time when he is entitled to receive health benefits pursuant to paragraph B or C of this Article II;

Article I, (1),(2),(4), and (6) of the 1978 Employer Benefit Plan provide:

Article I - Definitions

The following terms shall have the meanings herein set forth:

- (1) "Employer" means (coal company).
- (2) "Wage Agreement" means the National Bituminous Coal Wage Agreement of 1978, 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.
- (6) "Beneficiary" shall mean any person who is eligible pursuant to the Plan to receive benefits as set forth in Article III hereof.

Article II.C.(1) and E(3) of the 1978 Employer Benefit Plan provide:

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;

E. Surviving Spouse and Dependents of Deceased Employees or Pensioners

Health benefits under Article III shall be provided to (i) any unmarried surviving spouse and (ii) such spouse's unmarried surviving dependent children as defined in subparagraphs (2) and (5) of paragraph D, of an Employee or Pensioner who died:

3. At a time when such Employee or Pensioner is entitled to receive health benefits pursuant to paragraph A, B, or C of this Article II, provided that

(i) if such Employee or Pensioner died prior 60 the effective date of the Wage Agreement and the spouse is not eligible for a Surviving Spouse's benefit, then only for the period that the spouse is eligible to receive death benefits in installment payments pursuant to paragraph C of Article III, or (ii) if such Employee or Pensioner died on or after the effective date of the Wage Agreement and the spouse is not eligible for a Surviving Spouse's benefit and life insurance benefits or death benefits are payable in a lump sum, then only for 60 months following the month of the death of such Employee or only 22 months following the month of death of such Pensioner. If life insurance benefits or death benefits are not payable, health benefits shall be provided only to the end of the month in which the Employee or Pensioner died.

Discussion

At the time of his death, the Complainant's husband was a disabled employee, entitled to receive health benefits under Article II.C.(1) of the 1974

Benefit Plan. The Complainant was therefore eligible, under Article II.E.(2) of the 1974 Benefit Plan, for health benefits "until her death or remarriage."

Article XX(c)(3)(i) of the 1978 Wage Agreement required each signatory employer to establish an employee benefit plan to provide health and other non-pension benefits to its employees and pensioners and to their eligible dependents. Article II.E.(3)(i) of the 1978 Employer Benefit Plan provides health benefits to the unmarried surviving spouse of an employee who died at a time he was eligible to receive health benefits pursuant to Article III.C. provided that if the Employee "died prior to the effective date of the Wage Agreement and the spouse is not eligible for a Surviving Spouse's benefit, then only for the period that the spouse is eligible to receive death benefits in installment payments."

In addition to establishing the Employer Benefit Plan, the 1978 Wage Agreement amended the 1974 Benefit Plan by adding to it Article II.E.(3), which is substantively identical to Article II.E.(3) of the Employer Benefit Plan. In administering the 1974 Benefit Plan as amended, the Trustees considered the question of the continuing eligibility of an unmarried surviving spouse of an employee who died prior to the effective date of the 1978 Wage Agreement at a time when he was eligible to receive health benefits pursuant to Article II.C. of the 1974 Benefit Plan. In Q&A H-8, a copy of which is enclosed herein, the Trustees decided that such a surviving spouse continues to be entitled to health benefits from the 1974 Benefit Plan.

The Employer Benefit Plan is designed to continue benefits coverage previously provided under the 1974 Benefit Plan. The Trustees therefore conclude that, consistent with their interpretation set forth in Q&A H-8, the Complainant continues to be eligible for health benefits under the Employer Benefit Plan.

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The Respondent is responsible for providing health benefits to the Complainant until her remarriage and to her dependent children under the terms of the Employer Benefit Plans.