
OPINION OF TRUSTEES

In Re

Complainant: Pensioner
Respondent: Employer
ROD Case No: 81-260, August 29, 1983

Board of Trustees: Harrison Combs, Chairman; John J. O'Connell, Trustee;
Paul R. Dean, 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 the provision of health benefit coverage for a pensioner who did not enroll in Medicare Part B, by the Employer under the terms of the Employer's Benefit Plan and hereby render their opinion on the matter.

Background Facts

Funds' records show that the Complainant was born January 1, 1917. His pension from the 1974 Pension Plan was effective February 1, 1981.

The Complainant did not enroll in Medicare Part B during the enrollment period prior to reaching age 65.

During 1982 the Respondent's insurance carrier denied payment of health services charges which were incurred by the Complainant because he was not enrolled in Medicare Part B.

In the interim, the Complainant has enrolled in Medicare Part B.

Dispute

Is the Respondent responsible to provide health benefits coverage for the Complainant during the period that the Complainant failed to enroll in Medicare Part B?

Positions of the Parties

Position of Complainant's Representative: The Respondent is responsible for payment of the health services charges which were incurred by the Complainant during the period he was not enrolled in Medicare Part B because the Respondent had not advised him of the requirement for enrollment.

Position of the Respondent: Complainant was orally advised to enroll for Medicare. Also, this requirement is contained in the Summary Plan Description booklet of the Employer's Benefit Plan.

Pertinent Provisions

Article I. (1), (2), (5) and (6) of the Employer's Benefit Plan provides:

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 Agreement of 1981, as amended from time to time and any successor agreement.
5. "Pensioner" shall mean any person who is receiving a pension, other than (i) a deferred vested pension based on less than 20 years of credited service, or (ii) a pension based in whole or in part on years of service credited under the terms of Article II G of the 1974 Pension Plan, or any corresponding paragraph or any successor thereto, under the 1974 Pension Plan (or any successor thereto), whose last classified signatory employment was with the Employer, subject to the provisions of Article II B of the Plan.
6. "Beneficiary" shall mean any person who is eligible pursuant to the Plan to receive health benefits as set forth in Article III hereof.

Article II. B. (1)(a) and (b) of the Employer's Benefit Plan provides:

Article II - Eligibility

Health benefits and life insurance under Article III hereof shall be provided to Pensioners as follows:

- (1) Any Pensioner who is not again employed in classified signatory employment subsequent to
 - (a) such Pensioner's initial date of retirement under the 1974 Pension Plan, and
 - (b) June 7, 1981, shall be eligible for coverage as a Pensioner under, and subject to all other provisions of this Plan. Notwithstanding (i) and (ii) of the definition of Pensioner in Article I (5) of this Plan, any such Pensioner who was

eligible for benefits under the 1974 Benefit Plan as a Pensioner on December 5, 1977, shall be eligible for such benefits, subject to all other provisions in this Plan.

Article III. A. (10(d) of the Employer's Benefit Plan provides:

Article III - Benefits

A. Health Benefits

10. General Provisions

(d) Medicare

Benefits provided under the Plan will not be paid to any Beneficiary otherwise eligible if such Beneficiary is eligible for Hospital Insurance coverage (Part A) of Medicare where a premium is not required and/or Medical Insurance coverage (Part B) of Medicare unless such Beneficiary is enrolled for each part of Medicare for which Beneficiary is eligible. Any such Beneficiary who is enrolled in a Medicare program shall receive the benefits provided under the Plan only to the extent such benefits are not provided for under Medicare.

Discussion

The Complainant's Representative claims that the Respondent did not advise the Complainant that he was required to enroll in Medicare, Part B. However, the Employer's Benefit Plans of 1978 and 1981 provide that a Beneficiary who is eligible for Medicare, Parts A and B, must enroll for each part before benefits coverage would be provided under the Plan.

The Respondent claims that Complainant was orally advised to enroll in Medicare by its Division personnel office at the time that he retired. Also, each Employee and Pensioner was issued a Summary Plan booklet of the Benefit Plan.

Opinion of the Trustees

The Trustees are of the opinion that Complainant was not entitled to benefits during the period in question because he failed to enroll in Medicare, as required under the Employer's Benefit Plan.

Whether or not Respondent notified Complainant individually of the requirement to enroll is immaterial, as the requirement is included in the Summary Plan Description. Therefore, the Respondent is not responsible for the provision of benefits coverage for the Complainant and his dependents during the period he was eligible for, but not enrolled in, Medicare, Part B.