

OPINION OF TRUSTEES

In Re

Complainant: Pensioner
Respondent: Employer
ROD Case No: 81-669 - January 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 the provision of health benefits coverage for a Pensioner under the terms of the Employer Benefit Plan.

Background Facts

The Complainant began working for the Respondent in a classified position in May 1973. The Complainant's last classified signatory employment in the coal industry was with the Respondent on March 6, 1984.

Prior to his retirement, the Complainant filed an application for retirement pension benefits under the UMWA 1974 Pension Plan on September 22, 1982. On November 4, 1985, the Complainant was notified by letter that based upon his eighteen (18) years of credited service, it had been determined that he was eligible for an Age 55 Retirement pension from the Funds, retroactive to April 1, 1984. At that time, the Complainant was advised to contact his last signatory Employer, the Respondent, concerning the provision of health benefits coverage as a UMWA 1974 Pension Plan pensioner. The Respondent received a copy of that letter.

The Complainant has stated that he contacted the Respondent on November 13, 1985 to inquire as to his eligibility for health benefits coverage and that the Respondent refused to provide such coverage. The Complainant has asked that the Respondent be found responsible for the provision of his health benefits coverage and for the payment of outstanding medical charges incurred for services after April 1, 1984.

The Respondent has failed to reply to correspondence from the Funds requesting its position in this dispute. Therefore, the Trustees must render a decision based upon the available information on file.

Dispute

Is the Respondent responsible for the provision of health benefits coverage for the Complainant and his eligible dependents?

Positions of the Parties

Position of the Complainant: The Respondent is responsible for the provision of health benefits coverage for the Complainant, a Pensioner under the UMWA 1974 Pension Trust.

Position of the Respondent: The Respondent has failed to provide the Trustees with its position in this dispute.

Pertinent Provisions

Articles XX (C), (3) and (i) of the National Bituminous Coal Wage Agreement provides:

Article XX - Health and Retirement Benefits

(C) 1974 Plans and Trusts

(3) (i) Each signatory Employer shall establish and maintain an Employee benefit plan to provide, implemented through an insurance carrier(s), health and other non-pension benefits for its Employees covered by this Agreement as well as pensioners, under the 1974 Pension Plan and Trust, whose last signatory classified employment was with such Employer. The benefits provided by the Employer to its eligible Participants pursuant to such plans shall be guaranteed during the term of this Agreement by that Employer at levels set forth in such plans.

Article I (1), (2), and (5) of the 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 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 of 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 this Plan.

Article II B. (1) of the 1981 Employer Benefit Plan provides:

Article II - Eligibility

B. Pensioners

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 of this Plan.

Discussion

Article XX (C) (3) (i) of the National Bituminous Coal Wage Agreement of 1984 stipulates that each signatory Employer shall establish and maintain an Employer Benefit Plan to provide health and other non-pension benefits for its Employees as well as pensioners under the UWMA 1974 Pension Plan and Trust. Article I (5) of the Employer Benefit Plan defines a "Pensioner" as any individual who is receiving a pension, other than a deferred vested pension based on less than 20 years of credited service. Inasmuch as the Complainant is receiving an Age 55 Retirement pension, and not a deferred vested pension based on less than 20 years of credited service, the Complainant satisfies the definition of Pensioner as set forth in Article I (5) and is eligible to receive health benefits coverage under Article II B. of the Employer Benefit Plan. The issue of the provision of health benefits coverage for a pensioner has been addressed previously by the Trustees in RODs number 81-521 and 81-638 (enclosed herein).

Opinion of the Trustees

Opinion of Trustees
Resolution of Dispute
Case No. 81-669
Page 4

The Respondent is responsible for the provision of health benefits coverage for the Complainant and his eligible dependents as of April 1, 1984, the effective date of the Complainant's UMWA 1974 Pension Plan pension.