
OPINION OF TRUSTEES

In Re

Complainant: Surviving Spouse
Respondent: Employer
ROD Case No: 84-466 - February 10, 1988

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 benefits coverage for the surviving spouse of an Employee under the terms of the Employer Benefit Plan.

Background Facts

The Complainant is the surviving spouse of an Employee who worked in a classified position for the Respondent from February 2, 1962 until September 26, 1983. On September 26, 1983, the Complainant's husband became disabled due to chronic illness and was unable to return to work. Funds' records indicate that he received Sickness and Accident ("S&A") benefits from September 27, 1983 until July 19, 1984. The Complainant's husband was awarded Social Security Disability Insurance ("SSDI") benefits, effective March 1, 1984. Because he had completed over 20 years of credited service in the coal industry, the Complainant was eligible for health benefits coverage pursuant to Article II. C. (1) of the Employer Benefit Plan when he died on June 18, 1987, at the age of 53. On September 24, 1987, Funds' staff notified the Complainant that she is eligible to receive a UMWA 1974 Pension Plan Pre-Retirement Survivor Annuity, effective February 1, 1989, the month following the month in which her husband would have attained retirement age (age 55).

The representative for the Complainant contends that the Respondent is responsible for providing the Complainant with a lump sum life insurance benefit and with health benefits coverage for 60 months following her husband's death. The representative further contends that the Complainant will be entitled to health benefits coverage until death or remarriage beginning in February 1989, the month following the month in which her husband would have attained age 55 (also the month in which her Pre-Retirement Survivor Annuity benefits will begin).

The Respondent states that Article II C. provides life insurance coverage for a disabled Employee only if the Employee is receiving or would be eligible to receive S&A benefits. The Respondent states that inasmuch as the Complainant's husband's eligibility for S&A benefits ceased on July 19, 1984, the Complainant's husband was not entitled to life insurance coverage at

the time of his death on June 18, 1987, and therefore, the Complainant is not entitled to a life insurance benefit. The Respondent contends that, in accordance with Article II E. (3), the Complainant is eligible for health benefits coverage only to the end of the month in which her husband died. The Respondent provided health benefits coverage for the Complainant through June 30, 1987. The Respondent has also stated that the Complainant would not be eligible for additional health benefits coverage unless she is eligible for a Surviving Spouse benefit under the UMW 1974 Pension Plan.

Dispute

Is the Respondent responsible for providing the Complainant with a life insurance benefit and with health benefits coverage beyond the month in which her husband died?

Positions of the Parties

Position of the Complainant: The Respondent is responsible for providing the Complainant with a life insurance benefit and with health benefits coverage for 60 months beyond the month in which her husband died. The Respondent is also responsible for providing health benefits coverage for the Complainant until death or remarriage, beginning February 1989, when her husband would have attained retirement age.

Position of the Respondent: The Complainant's husband was not entitled to life insurance coverage as a disabled Employee at the time of his death; therefore, the Complainant is not entitled to a life insurance benefit. The Complainant is only entitled to receive health benefits coverage to the end of the month in which her husband died, June 1987, in accordance with Article II. E. (3) of the Employer Benefit Plan.

Pertinent Provisions

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

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 1984, 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) and (3) and E. (I), (2) and (3) of the Employer Benefit Plan provide:

Article II - Eligibility

The persons eligible to receive the health benefits pursuant to Article III are as follows:

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;
- (3) Is receiving or would, upon proper application, be eligible to receive Sickness and Accident Benefits pursuant to the Wage Agreement.

Life and accidental death and dismemberment insurance shall also be provided to Employees described in (3) above.

E. Surviving Spouse and Dependents of Deceased Employees or Pensioners

Health benefits under Article III shall be provided to (i) any unmarried surviving spouse (who was living with or being supported by the Employee or Pensioner immediately prior to the Employee's or Pensioner's death) 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:

- (1) As a result of a mine accident occurring on or after the effective date of the Plan while the Employee was working in a classified job for the Employer;
- (2) Under conditions which qualify such spouse for a Surviving Spouse benefit under the 1974 Pension Plan or any successor thereto;

- (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 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 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 for 22 months following the month of death of such Pensioner. If life insurance benefits are not payable, health benefits shall be provided only to the end of the month in which the Employee or Pensioner died.

Article III B. (I) of the Employer Benefit Plan provides in pertinent part:

B. Life and Accidental Death and Dismemberment Insurance

- (1) Active Employees

Life and accidental death and dismemberment insurance will be provided for Employees, as described in Article II, Sections A. and C. (3)...

Discussion

Article III B. (1) of the Employer Benefit Plan provides life and accidental death and dismemberment insurance coverage to active Employees and certain disabled Employees, as described in Article II A. and C. (3) of the Plan. At the time of his death, the Complainant's husband was receiving health benefits coverage as a disabled Employee pursuant to Article II C. (1) of the Plan. Therefore, the Complainant's husband was not entitled to life insurance coverage at the time of his death. Accordingly, the Respondent is not responsible for providing the Complainant with a life insurance benefit.

Article II E. (3) of the Employer Benefit Plan stipulates that, if life insurance benefits are not payable, health benefits coverage shall be provided for the surviving spouse of an Employee only to the end of the month in which the Employee died. Inasmuch as life insurance benefits were not payable at the time of the Complainant's husband's death on June 18, 1987, the Respondent is not responsible for providing health benefits coverage for the Complainant beyond June 30, 1987.

The Complainant's representative has claimed that the Complainant will be eligible for health benefits coverage until remarriage beginning February 1, 1989, when her husband would have attained age 55. Article II E. (1) and (2) of the Employer Benefit Plan set forth two alternative

circumstances under which a surviving spouse may qualify for health benefits coverage until remarriage. The Complainant is not entitled to coverage under Article II E. (1) because her husband's death was not the result of a mine accident. The Complainant is not entitled to coverage under Article II E. (2) because, as the surviving spouse of an Employee who died prior to retirement age, she is unable to satisfy the eligibility requirements for a Surviving Spouse benefit under the terms of the 1974 Pension Plan. Accordingly, the Complainant is not entitled to any additional period of health benefits coverage beyond June 30, 1987, under the terms of Article II E. of the Employer Benefit Plan.

Opinion of the Trustees

The Respondent is not responsible for providing the Complainant with a life insurance benefit. The Respondent is not responsible for providing health benefits coverage for the Complainant beyond June 30, 1987, consistent with the terms of Article II E. of the Employer Benefit Plan.