

Summary: Alleged Fraud Involving the United Mine Workers of America Health and Retirement Funds

Report Date: February 7, 2018

OIG investigated allegations that the United Mine Workers of America Health and Retirement Funds (UMWAF) was not adhering to Federal law and regulations concerning three federally supported health benefit plans. According to the allegations, the UMWAF enrolled beneficiaries in the combined benefit fund (CBF) after the enrollment cutoff date and inflated the beneficiary numbers by retaining deceased beneficiaries in its records. The UMWAF reportedly also provided legal advice to a coal company during bankruptcy proceedings and failed to pursue recovery of other coal companies' delinquent benefit plan premiums. Lastly, the UMWAF allegedly falsified enrollment documents so that beneficiaries would qualify for Federal support.

We found that the UMWAF enrolled 1,909 beneficiaries into the CBF after the enrollment cutoff date and paid this population an estimated \$96 million in benefits. After we initiated our investigation, however, the DOI Office of the Solicitor concluded that there was conflicting authority on this issue. The Office of Surface Mining Reclamation and Enforcement (OSMRE) will review beneficiary lists with this in mind before completing the fiscal year 2018 transfer requests.

We could not determine if the UMWAF inflated beneficiary numbers by retaining deceased beneficiaries, because it did not provide detailed lists to the Government during funding requests.

We also found no evidence that the UMWAF provided legal advice to a coal company during its bankruptcy proceedings, that the UMWAF failed to pursue delinquent coal operator premiums, and that the UMWAF falsified enrollment documents.

We presented our findings to the U.S. Attorney's Office for the District of Columbia, which declined prosecution.

This is a summary of an investigative report that we issued to the OSMRE Director.

