TAKE 2

The Newsletter of the Screen Actors Guild – Producers Pension and Health Plans

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INSIDE TAKE 2

Trustees Add Flexibility to Mental Health and Chemical Dependency Benefits

Changes effective January 1, 2008

The Trustees are pleased to announce changes to the Health Plan's mental health and chemical dependency benefits. These changes double the number of days available under alternative levels of care for mental health inpatient benefits, eliminate the 50% reduction penalty for not completing a chemical dependency program (annual and lifetime maximums still apply), and increase the dollar amount of coverage for chemical dependency programs to $2,000. A $250 annual deductible will also be added to the inpatient mental health benefit. Below, we discuss these changes, which become effective January 1, 2008. Updated benefit charts can be found on page 3.

Inpatient Mental Health Benefits – Alternative Levels of Care, Annual Maximums and Deductibles

The current inpatient mental health benefit does not just include coverage for inpatient hospital stays. It also includes coverage for alternative levels of care shown below:

MENTAL HEALTH INPATIENT BENEFIT OPTIONS

Inpatient	Treatment is provided in a 24-hour medical facility
Residential	Treatment is provided in a 24-hour non-medical facility
Partial Hospital Program	Treatment is provided for 6-8 hours per day
Intensive Outpatient Program	Treatment is provided for 2-3 hours per day

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ValueOptions has contracted with a comprehensive nationwide network of professionals, which includes psychiatrists, psychologists, clinical social workers, marriage, family and child counselors, treatment programs, hospitals and other clinical providers. Benefits are available only through ValueOptions network providers and ValueOptions pre-authorization is required for all care.

For pre-authorization and/or network provider information:

Toll-free: (866) 277-5383

Hearing impaired: (800) 477-4624

Web site: **www.valueoptions.com/sagph**

Trustees Add Flexibility to Mental Health and Chemical Dependency Benefits, *continued from page 1*

Under the current plan, one day of treatment at an alternative level of care counts as one inpatient day, which is applied toward the annual maximum. Effective January 1, 2008, two days of treatment at an alternative level of care will count as only one day of an inpatient program. This effectively **doubles** the number of alternative level of care days available to you. For example, if you receive 10 days of care in a partial hospitalization program, this will count as only five days toward your annual maximum. This change will allow you and your ValueOptions provider to select a treatment option that best meets your medical needs.

The annual inpatient maximums as of January 1, 2008 are outlined below:

INPATIENT/ALTERNATIVE CARE MAXIMUMS

Plan I	45 inpatient days or up to 90 days for alternative levels of care*
Plan II	30 inpatient days or up to 60 days for alternative levels of care*

***Alternative level of care days are not in addition to inpatient days, they are exchanged with inpatient days**

At the same time, the Plan is adding a $250 calendar year deductible to the inpatient mental health benefit. Charges for mental health treatment received in alternative levels of care are also subject to this deductible. Please note that the inpatient mental health deductible is separate from the inpatient chemical dependency co-payment.

Please note that the benefits for outpatient mental health treatment will remain the same. See the updated charts on page 3.

Chemical Dependency Benefits

Calendar Year Maximum for Detoxification Increased

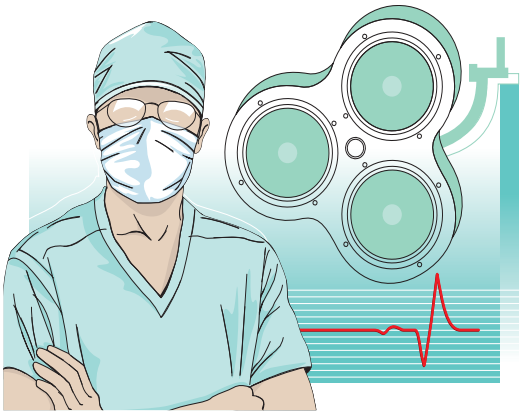
The calendar year maximum for detoxification will be increased to $2,000 effective January 1, 2008. This benefit enhancement brings the Plan's maximum in line with the current average cost of treatment. If you incur charges above this amount or require additional detoxification services, you will be responsible for the additional charges.

Benefit Reduction Penalty Eliminated

When you enter a chemical dependency treatment program benefits are reduced 50% if you do not complete the recommended course of treatment and receive certification from ValueOptions. This penalty is eliminated effective January 1, 2008; however, the annual and lifetime maximums for chemical dependency treatment will still apply. Refer to the charts on page 3.

Electron-Beam Computed Tomography (EBCT)

Electron-beam computed tomography (EBCT) is a new diagnostic tool for detecting coronary artery calcium. This and similar new tests are not covered by the Health Plan as a routine testing tool.



Mental Health Treatment Benefits

OUTPATIENT COUNSELING SERVICES

	Plan Payment	Your Deductible or Co-payment	Maximums
Plan I	100% of contracted charges after your co-payment	$20 per visit	40 visits per calendar year
Plan II	50% of contracted charges	50% of contracted charges	20 visits per calendar year

INPATIENT CARE SERVICES

	Plan Payment	Your Deductible or Co-payment	Maximums
Plan I	100% of contracted charges	$250 per calendar year	45 days per calendar year or, 90 days for alternative levels of care
Plan II	100% of contracted charges	$250 per calendar year	30 days per calendar year or, 60 days for alternative levels of care

Alternative levels of care include: residential treatment center, partial hospitalization programs, and intensive outpatient programs.

If your eligibility changes from Plan I to Plan II or vice versa during a calendar year, any charges, visits, or days that were applied toward your annual deductible or maximums under your initial plan level will apply toward your annual deductible or maximums under your new plan level.

Chemical Dependency Treatment Benefits

Except for the maximums noted below, benefits are the same for Plan I and Plan II participants. Please note the maximum payment for detoxification is $2,000 per calendar year. If you require additional detoxification services, you will be responsible for the additional charges.

Services	Plan Payment	Your Co-payment	Maximums
Detoxification	100% of contracted charges	$0	$2,000/calendar year
Inpatient Hospital	100% of contracted charges	$250 co-payment per course of treatment	See below
Residential Treatment Center	100% of contracted charges	$0	See below
Outpatient	100% of contracted charges	$0	See below

CHEMICAL DEPENDENCY MAXIMUMS

Plan I	Plan II
• Annual: One course of treatment • Lifetime: Two courses of treatment or $37,500 *Note:* Plan II treatment courses are counted toward these maximums.	• Annual: One course of treatment or $7,500 • Lifetime: Two courses of treatment or $10,000 *Note:* Plan I treatment courses are counted toward these maximums.

What Does 100% Mean?

When the Health Plan states it will pay a certain percentage (100%, 80%, etc.) on a claim, how much does the Plan actually pay? That depends on several factors, the most important of which is whether you are using a network or non-network provider. **The Plan's payment is always a percentage of the Plan's "Allowance" which may be lower than the amount your provider actually billed.**

Network Providers

When you use a network provider, the Allowance has been negotiated. This means that once you have satisfied your deductible and co-payment, the Plan will pay 100% of the balance of the claim. Even though your network provider may bill a larger amount, you and the Plan are not responsible for anything in excess of the negotiated Allowance.

Non-Network Providers

When you use a non-network provider, the Allowance is determined by industry standards and confirmed by the Trustees. The Plan's Allowance for non-network providers may be significantly less than

what the provider charges. This means that you are responsible for your deductible and co-payments AND the difference between what the provider bills and what the Plan pays. In addition, the percentage the Plan applies to non-network services is less than 100%. For example, Plan I major medical benefits are paid at 80% of the Allowance and Plan II major medical benefits are paid at 70% of the Allowance.

Here is an example of how a major medical surgery bill of $5,000 would be payable on a network versus a non-network basis:

HYPOTHETICAL $5,000 SURGERY

Network – Plan I		Non-Network – Plan I	
Billed Amount	$5,000	Billed Amount	$5,000
Plan's Allowance This is the network contracted rate. $3,800 is written off by the provider.	$1,200	Plan's Allowed Amount* This is based on usual & customary charges in the geographic area where services are performed.	$2,500
Health Plan Pays	$1,100	Health Plan Pays **80% of the Allowed Amount**	$2,000
Your Responsibility	$100 copay	Your responsibility is 20% of Plan's Allowance PLUS Difference between billed amount and Plan's Allowance Total	 $ 500 $2,500 $3,000

*The Allowed Amount is the maximum amount that the Health Plan will consider for each medical service or procedure from a Non-Network provider, which in this example is $2,500.

Screen Actors Guild – Producers Health Plan
P.O. Box 7830
Burbank, CA 91510-7830

November 2007

Notice of Creditable Coverage

This Notice contains important information about your current prescription drug coverage with the SAG-Producers Health Plan and the Medicare Prescription Drug Plan (PDP) coverage. Read this Notice carefully and keep it in a safe place with your important papers.

Key Information

1. **Medicare prescription drug coverage became available in 2006 to everyone with Medicare through Medicare Prescription Drug Plans and Medicare Advantage plans that offer prescription drug coverage. All Medicare Prescription Drug Plans (PDPs) provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher premium.**

2. **The SAG-Producers Health Plan's existing prescription drug benefits are more generous than the standard Medicare drug benefits except under certain limited circumstances. This means it is considered creditable coverage.**

3. **You do not need to enroll in a Medicare PDP as long as you have coverage under the SAG-Producers Health Plan. If you do enroll in a Medicare PDP, you will not be eligible for any prescription drug coverage from the SAG Producers Health Plan.**

Medicare Prescription Drug Coverage (Medicare Part D)

Starting January 1, 2006, prescription drug coverage became available to everyone with Medicare through Medicare Prescription Drug Plans (PDPs). Most people have to pay a premium for Medicare drug coverage. Individuals can enroll in a Medicare PDP when they first become eligible for Medicare and each year from November 15th through December 31st. Individuals leaving employer/union coverage may be eligible for a Special Enrollment Period to sign up for a Medicare PDP.

SAG-Producers Health Plan Prescription Drug Coverage

The Health Plan will continue to provide prescription drug coverage for Medicare eligible participants during 2008. These benefits have been determined to be "creditable coverage" which means that the Health Plan is expected to pay as much in claims for all participants as standard Medicare prescription drug coverage. Because your Health Plan drug coverage is more generous than the standard Medicare drug coverage, you do not need to join a Medicare PDP as long as you have coverage under the Health Plan.

Your Choices and the Consequences

If you do not enroll in a Medicare PDP, you will continue to receive your current prescription drug benefits from the Health Plan as long as you are otherwise eligible for Plan coverage. Remember that the Health Plan also covers hospital and medical benefits. There is no premium for prescription drug coverage under the Health Plan.

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Notice of Creditable Coverage, *continued from page 5*

If you enroll in a Medicare PDP, you will no longer receive any prescription drug coverage from the Health Plan. However, you will continue to receive medical and hospital benefits from the Health Plan as long as you are otherwise eligible for Plan coverage. Remember that for most people there is a monthly premium for Medicare prescription drug coverage. If you enroll in a Medicare PDP and later drop that coverage, you can again receive your prescription drug coverage from the Health Plan, provided you are still otherwise eligible. Your Health Plan prescription drug coverage will be effective the first of the month after your Medicare PDP coverage ends.

Important Note: If you drop or lose coverage with the SAG-Producers Health Plan and do not enroll in a Medicare PDP right away, you may have to pay more to enroll in a Medicare PDP later. If you go 63 days or longer without prescription drug coverage that is as good as Medicare's drug coverage, your monthly Medicare Part D premium will increase by 1% for each month that you did not have that coverage. For example, if you go 19 months without coverage, your premium for Medicare drug coverage will be 19% higher than what you would have paid had you enrolled as soon as you lost your Health Plan coverage. You will have to pay this higher premium for as long as you have Medicare coverage. In addition, you may have to wait until the next enrollment period to enroll in a Medicare PDP.

Keep This Notice

If you enroll in a Medicare PDP, you may be required to provide a copy of this Notice when you enroll to avoid paying a higher premium. This Notice verifies that you have creditable coverage with the SAG-Producers Health Plan so that you are not required to pay the higher premium.

Visit the Plan's Web site at
www.sagph.org

For More Information

Detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook which you will receive in the mail every year from Medicare. You may also be contacted directly by Medicare prescription drug plans. To get more information, you can:

- Visit www.medicare.gov.
- Call your State Health Insurance Assistance Program (see "Medicare & You" for phone number).
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call (1-877-486-2048).

For individuals with limited income and assets, extra help paying for Medicare prescription drug coverage is available. Information about this help is available from the Social Security Administration:

- Visit www.socialsecurity.gov.
- Call 1-800-772-1213 (TTY 1-800-325-0778).

For more information about this Notice or the SAG-Producers Health Plan prescription drug benefits, contact the Plan Office at:

- 1-800-777-4013 (outside Los Angeles area)
- 1-818-954-9400

You may request a copy of this Notice at any time by contacting the Plan Office. An updated copy of this Notice will be provided annually and at other times in the future such as before the next period you can enroll in Medicare prescription drug coverage, and if this coverage through the SAG-Producers Health Plan changes.

Benefits under the SAG-Producers Health Plan are not vested or guaranteed. They may be modified, reduced or terminated at any time by the Board of Trustees.

**SCREEN ACTORS GUILD–
PRODUCERS PENSION
AND HEALTH PLANS**

PO Box 7830
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Enhanced Burbank Plan Office Hours Began October 15th

We are pleased to announce that as of October 15, 2007, the Burbank Plan Office extended its office hours to 5:00p.m. Pacific Standard time. This means the phones are open and walk-ins welcome for an additional half hour each week day. Remember, you can conduct a variety of tasks related to your Screen Actors Guild - Producers Pension and Health Plan benefits 24 hours a day 7 days a week via our secure Web site: **www.sagph.org**, including paying your health plan premium and viewing medical claims and reported earnings online if you are registered. You can also use your telephone to access the Plans' Integrated Voice Response (IVR) System with the same 24/7 convenience.

PENSION AND HEALTH PLAN DIRECTORY

Burbank Plan Office: (818) 954-9400
From outside the Los Angeles area: (800) 777-4013
Fax: (818) 953-9880
E-mail address: psd@sagph.org
Web site: www.sagph.org

IF YOU NEED:	ASK FOR:
Benefit and Eligibility Information	Participant Services
Pension Plan Information	Pension Department, Ext. 2020
Information on Medical Claims	Participant Services
Information on Dental Claims	
Delta Dental – Member Services	(800) 846-7418
– Directories	(800) 846-7418
Information on Prescription Drugs	
Medco Health	(800) 903-4728
Prescription Pre-Authorizations	(800) 753-2851
NEW YORK Plan Office	(212) 599-6010
275 Madison Ave. #1819, New York, NY 10016	