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

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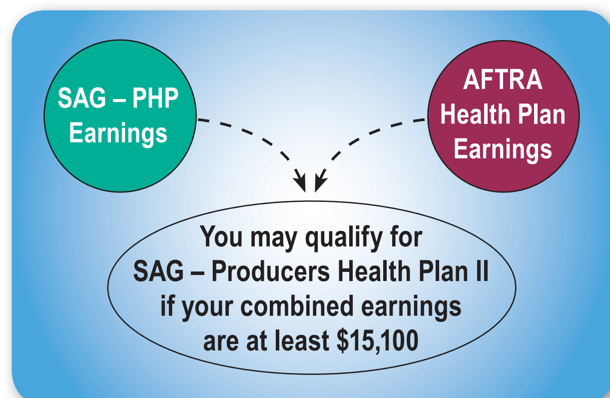
The Trustees Adopt An Additional Way To Qualify For Plan II Eligibility

For Coverage Beginning July 1, 2014 or After

The Trustees are pleased to announce that beginning July 1, 2014, participants who do **not** qualify for health coverage under **either** the AFTRA Health Plan or the SAG-Producers Health Plan will be able to combine their earnings reportable to each Plan in order to meet the dollar earnings requirement for **Plan II** eligibility (currently $15,100). This means that beginning with the base earnings period of **April 1st 2013** through **March 31st 2014**, earnings reported to both Plans may be combined to meet the **dollar** threshold to qualify for Plan II under the SAG-Producers Health Plan under certain circumstances. Detailed information, including how to find out if you may qualify for Plan II coverage based on the new rule, will be provided in a **Special Edition of Take 2** coming after the first of the year.



A Reminder Of How To Earn Plan II Eligibility Under The SAG-Producers Health Plan

There are currently three ways to qualify for Plan II eligibility:

1. Meet the minimum earnings requirement (currently $15,100)
2. Meet the days requirement (currently 76 days)
3. Meet the age and service requirement – age 40 with at least 10 Health Plan years (currently $10,900)

And, as of July 1, 2014:

4. If you are **not** otherwise eligible for coverage under either Plan (including AFTRA individual coverage), you can meet the minimum earnings requirement (currently $15,100) by combining your reportable earnings in the AFTRA Health Plan and the SAG-Producers Health Plan

Holiday Greetings

FROM:

The Board of Trustees and Staff of the Screen Actors Guild – Producers Pension and Health Plans

Hospital/Medical Conversion Option Eliminated

Effective January 1, 2014

For many years the Plan has offered a hospital/ medical conversion option to participants who lose earned eligibility or self-pay coverage. This option allowed you to buy an individual insurance policy without providing your medical history and regardless of whether or not you had any pre-existing conditions.

Effective January 1, 2014, the hospital/medical conversion option will be eliminated. It is no longer necessary because you will now be able to buy a private policy through the Health Insurance Marketplace. In California, insurers can no longer provide health conversion policies and we anticipate that other states will also adopt this provision because under the Affordable Care Act insurers may not turn you away or charge you more because you have a medical condition.

Although the hospital/medical conversion option will be eliminated, the Plan will continue to offer life insurance conversion through MetLife to participants who lose Plan I earned eligibility. Please see the Health Plan SPD for information on how to apply for a life insurance conversion policy.

Prescription Drug Step Therapy Requirements Added

Effective July 1, 2014

Health care costs, and particularly prescription drug expenses, continue to increase. In their effort to preserve health coverage for participants and dependents, the Trustees look for programs that can help reduce the cost increases. Step therapy is a program for getting you the prescription drugs you need, with safety, cost and – most importantly – your good health in mind. It allows you and your family to receive the treatment you need while making prescription drugs more affordable for you.

The step therapy program will be effective July 1, 2014 and will apply to medications received at retail pharmacies or through the mail. It is for people who have certain conditions, such as high blood pressure, nasal allergies or indigestion that require them to take prescription drugs regularly. In step therapy, drugs are grouped in categories based on treatment and cost:

- **Front-line drugs** – the first step – are generic and sometimes lower-cost brand drugs proven to be safe, effective and affordable. In most cases you should try these drugs first because they usually provide the same health benefit as a more expensive drug, at a lower cost.

- **Back-up drugs** – Step 2 and Step 3 drugs – are brand name drugs that generally are necessary for only a small number of patients. Back-up drugs are the most expensive option.

Step therapy is developed under the guidance and direction of independent, licensed doctors, pharmacists and other medical experts. Together with Express Scripts, they review the most current research on thousands of drugs tested and approved by the FDA for safety and effectiveness. Then they recommend appropriate prescription drugs for the program.

Additional information regarding step therapy will be provided next spring before the July 1st effective date. In the meantime, if your doctor prescribes a new medication for you ask if there is a generic alternative. Remember, you have a lower copay if you use a generic medication and the Plan saves money as well.

Changes to Non-Network Medical Benefits

Effective July 1, 2014

The Trustees periodically review the provisions of the Health Plan in order to make sure they are in line with industry practice and make sense for the Plan. The latest review highlighted the fact that there are copays for network medical benefits but no copays for non-network medical benefits.

In an effort to encourage network utilization, effective July 1, 2014, the Plan will add copays to non-network medical benefits for Plan I and Plan II. The non-network copays will be the same as the copays under network medical benefits. Please refer to the chart below:

Although the non-network copays will be the same as the network amounts, you still have lower out-of-pocket expenses from a network provider. The network deductible is significantly lower than the non-network deductible. So is the coinsurance, which is the percentage of covered charges that you pay after the deductible and copay are satisfied – 10% as compared to 30%. Plus, as announced in the Fall 2013 Take 2, the Plan is adding a new overall out-of-pocket maximum of $6,350 per person and $12,700 per family for network hospital and medical services effective January 1, 2014.

Non-network services will not have an overall out-of-pocket maximum. Instead you will continue to be charged a copay for each visit and surgery even if your coinsurance maximum has been satisfied.

Medical Copays – Network or Non-Network	Plan I	Plan II
Office Visit	$15 per visit	$25 per visit
Surgeon –		
Doctor's Office	$15 per surgery	$25 per surgery
Inpatient	$100 per surgery	$100 per surgery
Outpatient Hospital, Surgical Center, Surgical Suite	$100 per surgery	$100 per surgery
Maternity –		
Prenatal Visits	No copay	No copay
Delivery	$100 per delivery	$100 per delivery

Summary Annual Report
for
Screen Actors Guild – Producers Health Plan

This is a summary of the annual report of the Screen Actors Guild – Producers Health Plan (EIN 95-2110997, PN 501) for the year ended December 31, 2012. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement and Insurance Information

The value of the Plan assets, after subtracting liabilities of the Plan, was $303,057,891 as of December 31, 2012, compared to $297,338,793 as of January 1, 2012. During the year, the Plan experienced an increase in its net assets of $5,719,098. This increase included unrealized appreciation or depreciation in the value of the Plan assets; that is, the difference between the value of the Plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The Plan had total income of $208,552,710 including employer contributions of $145,138,381, employee and participant contributions of $34,831,765, other income of $2,873,274, realized loss of $11,350,192 from the sale of assets, unrealized appreciation in the value of Plan assets of $22,275,109, and earnings from investments of $14,784,373. Plan expenses were $202,833,612. These expenses included $20,158,270 in administrative expenses and $182,675,342 in benefits paid to participants and beneficiaries.

The Plan has a contract with Metropolitan Life Insurance Company to pay life insurance and accidental death and dismemberment claims incurred under the terms of the Plan. The total premiums paid for the Plan year ended December 31, 2012 were $1,358,361.

Your Rights to Additional Information

You have the right to receive copies of the full annual report, or any part thereof, on request. The following items are included in the report: an accountant's report, assets held for investment, transactions in excess of 5% of Plan assets, financial information and information on payments to service providers, insurance information including sales commissions paid by insurance carriers.

To obtain a copy of the full annual report or any part thereof, write or call the office of: Mr. Chris Dowdell, Chief Executive Officer (CEO), P.O. Box 7830, Burbank, CA 91510-7830. The charge to cover copying is 25 cents per page.

You also have the right to receive from the CEO, on request and at no charge, a statement of the assets and liabilities of the Plan and accompanying notes, or a statement of income and expense of the Plan and accompanying notes, or both. If you request a copy of the full annual report from the CEO, these statements and accompanying notes will be included as part of those reports. The charge to cover copying costs given above does not include a charge for the copying of these portions of the reports because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the Plan: 3601 W. Olive Avenue, Burbank, CA 91505, and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

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

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Burbank, CA 91510-7830

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Moving???

When you move, you must notify the Pension and Health Plan Office so that you will continue to receive information about your eligibility and benefits. This is especially important now that premium payment coupons are mailed every quarter to your address on file.

You can change your address with the Plan Office four different ways:

- Online at **www.sagph.org**
- Call the Plan Office
- File a Change of Address Card
- Write or FAX a letter to the Plan Office

SAG-AFTRA is a separate entity from the Pension and Health Plans and requires a separate notice for change of address.

Sign up for web access to all your information at sagph.org

PENSION AND HEALTH PLANS DIRECTORY

Burbank Plan Office: (818) 954-9400 or (800) 777-4013
Fax: (818) 953-9880 • Email address: psd@sagph.org
website: 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 Mental Health/Substance Abuse Coverage	
ValueOptions	(866) 277-5383
Information on Dental Claims	
Delta Dental – Member Services	(800) 846-7418
– Directories	(800) 846-7418
Information on Prescription Drugs	
Express Scripts	(800) 903-4728
Prescription Pre-Authorizations	(800) 753-2851
NEW YORK Plan Office	(212) 599-6010
275 Madison Ave. #1819, New York, NY 10016	