

## INSIDE TAKE 2

### Important Benefits Updates

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## 30 Years of 'Take 2' Coming to a Close

Over the last 30 years, the SAG-Producers Pension and Health Plans have communicated important benefits changes and compliance matters to you through the Take 2. As the SAG Health Plan transitions through merger with the AFTRA Health Plan to form the SAG-AFTRA Health Plan effective January 1, 2017, this will be your last Take 2. You will continue to receive regular newsletters and benefits updates from the new health plan and the pension plan in 2017.

This final edition of the Take 2 contains important information to help you transition into your new Plan:

- **Prescription medications:** there will be changes to how you receive your long-term prescription medications – the new Plan will require mail order service through Express Scripts for any prescriptions for which you receive more than 2 refills.
- **Processing 2016 claims:** any medical or hospital claims for services received in 2016 will be processed according to the 2016 Plan rules and benefits. Any 2016 AFTRA Plan claims should continue to be sent to AFTRA H&R for payment. CORRECTION: 2016 AFTRA Plan medical claims should be sent to Cigna for payment; behavioral health claims should be sent to Beacon health.
- **Coordination of benefits with Medicare:** there are some important changes to how benefits will be coordinated with Medicare.

It has been a pleasure serving you for three decades, and we wish you many more years of health and wellness under the SAG-AFTRA Health Plan.

## Express Scripts Mail Order Service will be Required for Maintenance Medications

The SAG-AFTRA Health Plan, which will continue to use Express Scripts as its prescription drug provider (and Accredo for specialty medications), will require participants and dependents to use home delivery service for their long-term or "maintenance" prescriptions. Examples of long-term medications include prescriptions to manage high blood pressure or cholesterol.

**How this will work:** Each prescription for a long-term medication may be filled no more than twice at a retail pharmacy, for a maximum of a 30-day supply with each fill. If you continue

## Express Scripts Mail Order Service will be Required for Maintenance Medications (Continued)

to purchase a maintenance prescription at a retail pharmacy after the first two 30-day fills instead of using the home delivery pharmacy, you will pay the entire cost of the medication.

**Special transition rule:** If you are currently covered under the SAG Plan and are taking a long-term medication as of December 31, 2016, that prescription will be subject to a special transition rule. You can continue to purchase an existing long-term prescription from a retail pharmacy through June 30, 2017. Beginning July 1, 2017, you must obtain the prescription through the home delivery pharmacy for it to be covered by the SAG-AFTRA Health Plan. This special transition rule does not apply to any new maintenance medications that are prescribed on or after January 1, 2017.



### Ordering Your Home Delivery Prescriptions:

The first time you are prescribed a new maintenance medication, ask your doctor for two prescriptions: the first for up to a 30-day supply to be filled at a retail pharmacy, and the second for up to a 90-day supply to be filled through the home delivery pharmacy. You or your doctor may submit prescriptions as described below.



#### Fax from Your Doctor

Give your ID number to your doctor and have your doctor call (888) EASYRX1 ((888) 327-9791) to obtain fax instructions.



#### Online

Visit [www.express-scripts.com](http://www.express-scripts.com) and follow the instructions to register for Express Scripts Pharmacy's home delivery services. Once you have registered, click "Manage prescriptions" and follow the instructions. Express Scripts will contact your doctor to transfer your current prescriptions to the home delivery pharmacy.



#### By Mail

Request an order form from the Plan by calling (800) 777-4013 or from Express Scripts by calling (800) 903-4728. Mail your prescription and the required copay along with the completed order form in the envelope:

**Express Scripts Home Delivery Service**  
P.O. Box 747000  
Cincinnati, OH 45274-7000

Additional information about your prescription benefits is available in the Summary Plan Description, which will be available in mid-December 2016, and at [www.sagafttraplans.org/health](http://www.sagafttraplans.org/health).

## Information Regarding Processing 2016 Medical Claims and Appeals in 2017

If you receive medical or hospital treatment or services in 2016 under your SAG-Producers Health Plan benefits but your provider doesn't submit the bill until 2017, your claim will be processed according to the benefits in effect at the time the service was rendered. In other words, the date of service will determine your coverage, not the date we receive the claim. If the service is provided in 2017, it will be paid according to the new benefit rules. Please note that both the SAG-Producers Health Plan and SAG-AFTRA Health Plan have a 15-month filing limit for medical claims and an 18-month limit for hospital claims.

If you wish to file an appeal on a 2016 claim, you have 180 days from the date of the Plan's denial notice to appeal to the Plan's Trustees for further consideration. The request for appeal must be in writing and should be addressed to the Plan's chief executive officer. This is the same process currently used by the SAG-Producers Health Plan.

As always, the Plan will only pay for medically necessary treatment in accordance with the Plan's exclusions and limitations. If you have any AFTRA claims for 2016, please continue to submit those to AFTRA H&R for processing. CORRECTION: 2016 AFTRA Plan medical claims should be sent to Cigna for payment; behavioral health claims should be sent to Beacon health.

## Adjustments to Medicare Coordination of Benefits in 2017

Some participants are covered by more than one health plan. In such cases, the SAG-Producers Health Plan (and in 2017, the SAG-AFTRA Health Plan) must determine the order of paying medical bills among the primary, secondary and even third payers. This is called Coordination of Benefits (COB). If you have Medicare, your Medicare coverage is considered primary for participants and dependents with the following coverage types:

- Senior performers
- Surviving dependents
- Earned inactive
- Total disability
- COBRA program

**The SAG-AFTRA Health Plan will reevaluate your eligibility status, even if you are in the middle of your benefit period. If your status is changing, you will receive a letter from the Plan advising you of the change.**

When Medicare is primary, this means Medicare pays your benefits first and the Plan pays secondary (or third if you have other coverage). Starting in 2017, there will be some changes to the COB rules when it comes to Medicare.

First, the definition of earned active eligibility will change. Currently, a participant who is eligible for Medicare has earned active eligibility if he or she has enough sessional earnings to meet the minimum earnings requirement. As of January 1, 2017, a participant will receive earned active eligibility if he or she satisfies the minimum earnings requirement and has any sessional earnings. When a participant has earned active eligibility, the Plan pays primary to Medicare.

Second, beginning January 1, 2017, the SAG-AFTRA Health Plan will use a "Medicare exclusion" COB calculation for participants and dependents with earned inactive eligibility and for individuals covered under the total disability extension or the COBRA program. The Medicare exclusion COB method will also be used for participants who receive senior performers or surviving dependents coverage for the first time after December 31, 2016.

Under the Medicare exclusion method, Medicare will pay its benefit allowances first and the Plan will pay second based on the Plan's in-network reimbursement provisions. Before the Plan begins to pay a benefit, you must satisfy the annual in-network hospital and medical deductibles.

## Adjustments to Medicare Coordination of Benefits in 2017 *(Continued)*

The Plan will subtract what Medicare paid from the Medicare allowance, then deduct any outstanding annual deductible amounts you may owe. After your outstanding deductible amounts have been subtracted, the Plan will apply the in-network copays and coinsurance amounts as applicable.

The total benefit paid by Medicare and the Plan will generally cover less than 100% of the Medicare allowance. You usually will have an out-of-pocket expense, regardless of whether or not you have satisfied the Plan's in-network deductibles.

To better understand how this works, refer to the example outlined below. In this example the Plan I participant receives medical services and has not had any expenses applied toward the in-network medical deductible of \$250.

**Special Note:** If you received senior performers or surviving dependents benefits under the SAG- Plan prior to January 1, 2017, the SAG-AFTRA Health Plan will not change your COB benefit calculation to the Medicare exclusion method. The Plan will determine the amount it pays in the same way the SAG-Producers Health Plan determines its benefits today. Please refer to "Coordination of Benefits" in your SAG-Producers Health Plan Summary Plan Description for an explanation of these rules.

### Women's Health and Cancer Rights Act of 1998 Annual Notice

As required by the Women's Health and Cancer Rights Act of 1998, the Plan provides benefits for mastectomy-related services including reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy (including lymphedema).

For more information, contact the Plan at (800) 777-4013.

MEDICARE		SAG-AFTRA HEALTH PLAN	
Medicare covered allowance	\$2,500	Annual in-network medical deductible	\$250
Medicare pays 80%	\$2,000	Plan pays	90%
		Participant coinsurance	10%
1. Medicare covered allowance		\$2,500	
2. Medicare pays		\$2,000	
3. Balance after the Medicare payment (line 1 – line 2)		\$500	
4. Remainder of annual in-network medical deductible		\$250	
5. Balance less the deductible (line 3 – line 4)		\$250	
6. Plan pays 90% of the amount from line 5		\$225	
7. Participants pays 10% of the amount from line 5		\$25	
8. Participant balance due to provider (equals line 3 minus line 6)		\$275	

## New SAG-AFTRA Health Plan Benefits Manager

The SAG-AFTRA Health Plan has launched a new online resource to help you manage your benefits. Using your Benefits Manager, you can:

- View your earnings history
- Add and enroll dependents
- Pay your health premiums
- Sign up for automatic premium payments
- Print health care ID cards
- Access your claims and forms
- Sign up for Plan emails
- Email the Plan using the secure Message Center

**If you don't have an account, you can create one at <https://my.sagafraplans.org/health>.**

If you are also a SAG-Producers Pension Plan participant, your Benefits Manager account provides access to your pension information as well. Need assistance? Call (800) 777-4013.

# 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, 2015. 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 \$251,140,574 as of December 31, 2015, compared to \$279,479,687 as of January 1, 2015. During the year, the Plan experienced a decrease in its net assets of \$28,339,113. This decrease includes 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 \$211,393,128 including employer contributions of \$182,328,276, employee and participant contributions of \$34,718,348, other income of \$15,157, realized loss of \$1,136,239 from the sale of assets, unrealized depreciation in the value of Plan assets of \$2,544,746, and loss from investments of \$1,987,668. Plan expenses were \$239,732,241. These expenses included \$19,844,189 in administrative expenses and \$219,888,052 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, 2015 were \$1,394,986.

## Your Rights to Additional Information

You have the right to receive copies of the full annual report, or any part thereof, upon 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. Michael Estrada, 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.



# Take 2

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## SAG-AFTRA Health Plan (effective January 1, 2017) and SAG-Producers Pension Plan Directory

### MOVING?

The SAG-AFTRA Health Plan, SAG-Producers Pension Plan, SAG-AFTRA (the union) and the AFTRA Retirement Plan are separate entities. Notification of changes of address or other information provided to one does not automatically update your information with another – you must contact each separately.

Use your Benefits  
Manager to access all of  
your information at  
[www.sagaftraplans.org](http://www.sagaftraplans.org)

To email the Health Plan	Log in to your Benefits Manager at <a href="https://my.sagaftraplans.org/health">https://my.sagaftraplans.org/health</a> and use the secure message center
To email the Pension Plan	<a href="http://www.sagaftraplans.org/sag-pension/contact">www.sagaftraplans.org/sag-pension/contact</a>
To call us	(800) 777-4013
Benefits and Eligibility Information	Participant Services
Pension Plan Information	Pension Department
Information on Medical Claims	Participant Services
Information on Behavioral Health Beacon Health Options	(866) 277-5383
Information on Dental Claims Delta Dental - Member Services	(800) 846-7418
Information on Prescription Drugs Express Scripts	(800) 903-4728
Prescription Pre-Authorizations	(800) 753-2851
Mail Order Prescriptions	(888) EASYRX1
New York Plan Office	(212) 599-6010