

May 1, 2016

NOTICE OF MINIMUM INCREASE TO QUALIFY FOR HEALTH COVERAGE

Effective July 1, 2016, the minimum amount a writer must earn to qualify for healthcare coverage increases to: \$38,302

What this means is that in order to qualify for health coverage a writer must earn \$38,302 for covered writing services within a period of four consecutive quarters.

coverage, a writer has a specific four-quarter earnings cycle in which they must continue to satisfy the earnings minimum in order for coverage to continue without interruption from year to year.

EXAMPLE 1 – Earning Cycle Ending 3/31/2016:

Let's say you earned \$10,000 in September of 2015, and then another \$27,368 in March 2016 for a total of \$37,368. Congratulations! You qualify for a year of healthcare coverage that begins on July 1, 2016.

Why July 1st? There is a one-quarter waiting period ("Lag Quarter") between the quarter when you qualify and when your coverage actually begins. In this example, you qualified

TO: ALL PARTICIPANTS

CHANGE IN QUALIFYING EARNINGS AMOUNT FOR ACTIVE (EARNED) ELIGIBILITY

A writer currently qualifies for Health Fund coverage by earning at least \$37,368 of *covered reportable compensation* within four consecutive calendar quarters. The sum is equal to the current WGA minimum for a one-hour network primetime story and teleplay.

As of July 1, 2016, the WGA minimums will increase and a writer will have to earn \$38,302 of *covered reportable compensation* within four consecutive calendar quarters in order to qualify for one year of Health Fund coverage.

EXPLANATION OF AN EARNINGS CYCLE

When you first become employed, your employer reports your earnings to the Health Fund; this starts your initial four-quarter earnings cycle. Once qualified for

in the 1st quarter of 2016, therefore; the one-quarter lag period is the 2nd quarter of 2016 (4/1/16 to 6/30/16).

EXAMPLE 2 - Earning Cycle Ending 9/30/2016 (new minimum is applicable):

What happens if you earn \$10,000 in December of 2015, and then earn an additional \$27,368 in July 1, 2016? The \$37,368 would no longer be enough to qualify for healthcare coverage because on July 1, 2016, the minimum increases to \$38,302. If you had earned the additional \$27,368 by June 30, 2016 you would have qualified because you met the minimum the day before the minimums went up.

If you then earn an additional \$934.00 in July, August, or September of 2016, you would qualify for coverage based on the new earnings minimum of \$38,302, the Lag Quarter would be the 4th quarter (10/1/16 to 12/31/16), and your healthcare coverage would begin on January 1, 2017 for one year.

The chart below shows how the healthcare coverage qualification rules are applied and coverage is earned based on the new earnings minimum effective July 1, 2016:

Quarter Earnings Minimum is satisfied:	Amount required to qualify:	Lag Quarter:	Coverage Begins:	Coverage Ends:	Earnings Cycle for next year of coverage:
3 rd quarter 2016 (7/1/16-9/30/16)	\$38,302	4 th quarter 2016	1/1/2017	12/31/2017	10/1/2016 to 9/30/2017
4 th quarter 2016 (10/1/16-12/31/16)	\$38,302	1 st quarter 2017	4/1/2017	3/31/2018	1/1/2017 to 12/31/2017
1 st quarter 2017 (1/1/17-3/31/17)	\$38,302	2 nd quarter 2017	7/1/2017	6/30/2018	4/1/2017 to 3/31/2018
2 nd quarter 2017 (4/1/17-6/30/17)	\$38,302	3 rd quarter 2017	10/1/2017	9/30/2018	7/1/17 to 6/30/18

Please note that if you have reached the ceiling on a project (\$250,000) or received compensation that is not subject to reporting, these earnings may not be applicable to Health Fund eligibility.

Non-reportable compensation includes the following items: 1) Excerpt payments, 2) Royalties, 3) Character payments, 4) Options, 5) Late fees, 6) Expenses, 7) Theatrical residuals, 8) Over ceiling TV residuals, 9) Separated rights payments, 10) Publication fees, and 11) Amounts over the weekly staff, 14K and 14E2 minimums (unless otherwise contracted).

A detailed summary of what is and is not *covered reportable compensation* can be found on our website at:

https://wgaplans.org/contributions/forms/Reportable_Summary_Schedule.pdf

For a one-hour daytime serial program, if you are a writer of thirteen (13) breakdowns during one thirteen-week cycle, who has been paid a total of less than \$38,302, you *may* still be eligible to receive one year's Health Fund eligibility. Please call the Contributions Department at the Administrative office for details.

Should you have any questions or concerns, we encourage you to contact the Eligibility Department at the Administrative Office so that we may assist you. We are here to be your trusted guide.

Sincerely,

BOARD OF DIRECTORS/TRUSTEES

GENERAL STATEMENT OF NONDISCRIMINATION: (DISCRIMINATION IS AGAINST THE LAW)

The Fund's health care plan complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. The Plan does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex. The Plan:

- a) Provides free aids and services to people with disabilities to communicate effectively with us, such as:
 - Qualified sign language interpreters and written information in other formats (large print, audio, accessible electronic formats, other formats)
- b) Provides free language services to people whose primary language is not English, such as:
 - Qualified interpreters and information written in other languages

If you need these services, contact Joe Ficele, Director of Security & Risk Management at 1-800-227-7863.

If you believe that the Plan has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance with: Joe Ficele, Director of Security & Risk Management, 2900 W. Alameda Avenue, Suite 1100, Burbank CA 91505, Telephone: 1-818-846-1015, TTY: 1-818-526-3199, Fax: 1-818-526-6522, Email: jficele@wgaplans.org. You can file a grievance in person or by mail, fax, or email. If you need help filing a grievance, Joe Ficele, Director of Security & Risk Management is available to help you. You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf> or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 509F, HHS Building, Washington, DC 20201, 1-800-868-1019, 1-800-537-7697 (TDD). Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

ATTENTION: FREE LANGUAGE ASSISTANCE	
This chart displays, in various languages, the phone number to call for free language assistance services for individuals with limited English proficiency.	
Language	Message About Language Assistance
English	ATTENTION: Language assistance services are available to you free of charge. Call 1-800-227-7863 (TTY: 1-818-526-3199).
Arabic	ملحوظة: إذا كنت تتحدث اذكر اللغة، فإن خدمات المساعدة اللغوية تتوافر لك بالمجان. اتصل برقم - 800-227-7863 (رقم هاتف الصم والبكم: 1-818-526-3199).
Chinese	注意：如果您使用繁體中文，您可以免費獲得語言援助服務。請致電 1-800-227-7863 (TTY: 1-818-526-3199)。
French	ATTENTION: Si vous parlez français, des services d'aide linguistique vous sont proposés gratuitement. Appelez le 1-800-227-7863 (ATS: 1-818-526-3199).
French Creole (Haitian)	ATANSYON: Si w pale Kreyòl Ayisyen, gen sèvis èd pou lang ki disponib gratis pou ou. Rele 1-800-227-7863 (TTY: 1-818-526-3199).
German	ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 1-800-227-7863 (TTY: 1-818-526-3199).
Italian	ATTENZIONE: In caso la lingua parlata sia l'italiano, sono disponibili servizi di assistenza linguistica gratuiti. Chiamare il numero 1-800-227-7863 (TTY: 1-818-526-3199).
Japanese	注意事項：日本語を話される場合、無料の言語支援をご利用いただけます。1-800-227-7863 (TTY: 1-818-526-3199) まで、お電話にてご連絡ください。
Korean	주의: 한국어를 사용하시는 경우, 언어 지원 서비스를 무료로 이용하실 수 있습니다. 1-800-227-7863 (TTY: 1-818-526-3199) 번으로 전화해 주십시오.
Persian	توجه: اگر به زبان فارسی گفتگو می کنید، تسهیلات زبانی بصورت رایگان برای شما فراهم می باشد. با 1-800-227-7863 (TTY: 1-818-526-3199) تماس بگیرید.
Polish	UWAGA: Jeżeli mówisz po polsku, możesz skorzystać z bezpłatnej pomocy językowej. Zadzwoń pod numer 1-800-227-7863 (TTY: 1-818-526-3199).
Portuguese	ATENÇÃO: Se fala português, encontram-se disponíveis serviços linguísticos, grátis. Ligue para 1-800-227-7863 (TTY: 1-818-526-3199).
Russian	ВНИМАНИЕ: Если вы говорите на русском языке, то вам доступны бесплатные услуги перевода. Звоните 1-800-227-7863 (телетайп: 1-818-526-3199).
Spanish	ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-800-227-7863 (TTY: 1-818-526-3199).
Tagalog	PAUNAWA: Kung nagsasalita ka ng Tagalog, maaari kang gumamit ng mga serbisyo ng tulong sa wika nang walang bayad. Tumawag sa 1-800-227-7863 (TTY: 1-818-526-3199).
Vietnamese	CHÚ Ý: Nếu bạn nói Tiếng Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho bạn. Gọi số 1-800-227-7863 (TTY: 1-818-526-3199).