

Spotlight on **BENEFITS**



Volume 12, Number 2

Winter 2004

Health and Pension Plan Changes Announced

The following are changes recently made to the Pension and Health Plans by the Board of Trustees, effective for coverage beginning January 1, 2005:

- A participant will earn one Credited Service Month in the Basic Pension Plan for each \$2,500 earned in DGA-covered employment (\$30,000 to achieve the annual maximum of 12 CSMs).
- The minimum earnings threshold for earned active health coverage in the DGA Choice Plan will be \$29,500.00.
- The minimum earnings threshold for earned active health coverage in the DGA Premier Choice Plan will be increased to \$92,250.00.
- The Health Plan will now cover self-donated (autologous) blood drawing and storage for a scheduled surgery that is normally covered by the Health Plan.
- The Health Plan's deductible carry-over provision (detailed on page 38 of the July 1, 2003 Health Plan Booklet) will be eliminated.

ARE YOU MOVING?

Each year, the Plans receive thousands of pieces of returned mail. It is important that the Plans have your most current address on file so that you can receive your benefits in a timely manner and be kept apprised of important news that may affect your benefits.

The Plans' Change of Address form is available online under the Pension and Health section of the DGA Web site (www.dga.org). Or you can contact the Health Plan at:

(323) 866-2306 or (877) 866-2200 Ext. 306

New Retiree Premiums

Effective January 1, 2005:

Certified Retirees

Under Age 65: \$130
(\$117 Medical/\$13 Dental)

Age 65 and Over: \$70
(\$64.40 M/\$5.60 D)

Retiree Carry-Over (RCO) Qualified for Certified Retiree

Under Age 65: \$65
(\$58.50 M/\$6.50 D)

Age 65 and Over: \$35
(\$32.20 M/\$2.80 D)

Retiree Carry-Over (RCO) Not Qualified for Certified Retiree

Under Age 65: \$200
(\$180 M/\$20 D)

Age 65 and Over: \$70*
(\$64.40 M/\$5.60 D)

*This premium will remain at \$35 for participants who commenced RCO prior to January 1, 2005.

ECYs vs. CSMs: An Important Distinction

When considering many of the issues that face a Pension and Health Plan participant in planning for retirement, it is important to note the difference between the Pension Plan's Credited Service Months and the Health Plan's Earned Coverage Years. Specifically, you should realize that the amount of CSMs that you have earned under the Pension Plan has no impact on your eligibility for Certified Retiree status under the Health Plan.

Credited Service Months

Credited Service Months (CSMs) is a term used by the Pension Plan. When the Pension Plan was created, a participant needed 120 CSMs to be fully-vested in the Basic Pension Plan. 120 months (ten years) was chosen in order to give the Plan time to build sufficient assets and to reward those for whom DGA employment was their "day job."

Since the inception of the Pension Plan, federal laws that govern pension plans like ours were amended to require full vesting, in certain circumstances, when five years (60 months) of credited service was achieved without a permanent "break in service." As of January 1, 2005, a participant will earn one credited service month for each \$2,500 earned in DGA-covered employment (\$30,000 to achieve a full year – 12 CSMs). You cannot earn more than 12 CSMs in a calendar year. Please note that the minimum amount to earn one CSM has been increased many

times over the last 20 years and it is important that you check with the Plan office if your career earnings have been near the past minimums.

Earned Coverage Years

Earned Coverage Year (ECY) is a term used by the Health Plan. Generally, in order for a participant to qualify for Certified Retiree status under the Health Plan, a participant must have 20 ECYs prior to retirement (after a voluntary retirement, a participant ceases earning ECYs toward Certified Retiree status). For more information on Certified Retiree status, refer to pages 18-20 of the July 1, 2003 Health Plan Booklet.

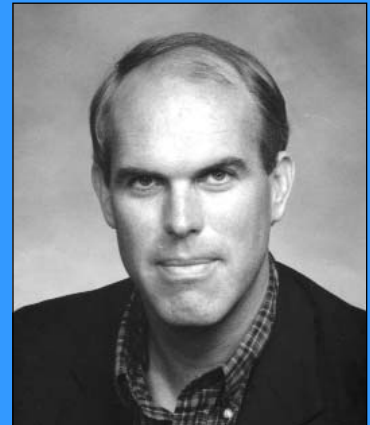
A participant receives 1 ECY when he or she qualifies for earned coverage for one year. For coverage beginning in 2005, the minimum earnings threshold for earned coverage is \$29,500. This amount gives you one year of health coverage and one ECY toward your Certified Retiree status.

The 2004 Health Plan annual statements that will be mailed in 2005 will include each participant's total number of ECYs. However, if you would like to know your current status, you can contact a Participant Services Representative at:

In the Los Angeles Area
(323) 866-2200, Option 1

Outside the LA Area
(877) 866-2200, Option 1

Board of Trustees Hires CEO



The Pension and Health Plans' Board of Trustees has appointed Mack Clapp to serve in the role of Chief Executive Officer of the Pension and Health Plans.

Mack previously served as a Senior Partner at Burlingame Capital, LLC. Prior to that, he was First Vice-President, Manager-New Business & Client Service for The Boston Company Asset Management, LLC.

A graduate of the University of Montana, Mack earned a B.A. in Business Administration and followed up with an M.S. in Finance. He later completed the Stanford Financial Executive Program in Advanced Financial Management and the Wharton Financial Executive Program in Management of Financial Institutions.

Is Your Ex Getting Your Pension?

He or she will...if you don't update your beneficiary information with the Pension Plan when you experience a divorce or other change in beneficiary status.

To request a beneficiary change form, contact the Pension Department at:

In the Los Angeles Area
(323) 866-2200, Ext. 404

Outside the LA Area
(877) 866-2200, Ext. 404

Childhood Therapy Options Available through Local School Districts

While both occupational therapy and physical therapy are covered under the Health Plan, many states currently offer occupational and physical therapy services for children with eligible conditions. These state benefits are not subject to the same limits as those obtained using the Health Plan and, in many cases, are a much better option for Health Plan participants.

When investigating childhood therapy options for your dependents, it is a good idea to make a call to your local school district to inquire as to what services are available in your area.

FOR YOUR HEALTH

Uncovering Hidden Substance Abuse

Recent studies have shown that primary care providers frequently fail to detect substance-related problems among their patients. When left untreated, substance abuse disorders can contribute to diminished productivity, illness and even death. Identifying a substance abuse problem in older adults, in particular, is often difficult because the symptoms may mimic common medical problems such as diabetes, dementia and depression.

A person can be chemically dependent without showing obvious signs. In addition, denial is the number one characteristic of a substance abuser. Many people who are abusing prescribed medications truly feel that they do not have a problem because it involves a medicine the doctor prescribed.

Ask yourself the following questions:

- Do I use alcohol or drugs to get going in the morning?
- Do others criticize my drinking or drug use?
- Do I have trouble at work because of my drinking or drug use?
- Has my use of alcohol or drugs affected my family life?

If you answered yes to any of these questions, you may want to talk to someone. PacifiCare, the Plan's substance abuse benefit manager is available toll-free at the telephone number below.

PACIFICARE BEHAVIORAL HEALTH

PacifiCare Behavioral Health, the DGA-Producer Health Plan's Mental Health and Substance Abuse benefit manager has caring, qualified customer service associates available to assist you and your family 24 hours a day, 7 days a week at:

(888) 502-4502

For more information regarding the Health Plan's Mental Health and Substance Abuse benefits, please contact the Health Plan office.



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Women's Health and Cancer Rights Act

Did you know that your plan, as required by the Women's Health and Cancer Rights Act of 1998, 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, please contact the Health Plan at:

In the Los Angeles Area
(323) 866-2200, Option 1

Outside Los Angeles
(877) 866-2200, Option 1

The Health Net HMO Option

The Health Plan currently offers an HMO option, administered by Health Net of California, to all California participants. Health Net of California is one of the largest health plans in the state, currently serving more than 2.5 million members statewide and contracting with more than 48,000 physicians, 750 physician group locations and 4,600 pharmacies, giving California Health Plan participants greater choice and convenient access to care.

When you enroll with Health Net, you choose a contracting physician group and a Primary Care Physician (PCP) from a list of available physicians in your area. Health Net's provider directory is available online at www.health.net, under "Doc Search." Whenever you or a covered family member needs health care, your PCP will provide the medically necessary treatment. Specialist care is also available when authorized through your PCP or physician group.

Please note that the Health Net HMO plan design is different from the DGA Choice and DGA Premier Choice Plans detailed in the July 1, 2003 Health Plan Booklet.

If you are a California Health Plan participant and would like to receive additional information regarding the Health Net HMO Option, please contact the Health Plan's Eligibility Department at:

In the Los Angeles Area
(323) 866-2200, Option 402

Outside the Los Angeles Area
(877) 866-2200, Option 402