

Spotlight on **BENEFITS**



Volume 14, Number 1

Winter 2006

Board of Trustees Announces Health and Pension Plan Changes

The Board of Trustees has made the following changes to the Directors Guild of America - Producer Health Plan:

- Effective December 9, 2005, the Health Plan will provide 75% co-insurance for all emergency non-network facility or provider claims.
- Effective December 9, 2005, the Board of Trustees extended, to age 19, the duration of the special *Kids' COBRA* benefits for eligible dependent children of retirees. Previously, eligible dependent children of retirees were offered *Kid's COBRA* for three years, or up to age 19, whichever was earlier.
- Effective January 1, 2006, Several amendments were made to the Health Plan in compliance with new Health Insurance Portability and Accountability Act (HIPAA)

regulations. These changes address certificates of creditable coverage and special enrollment rights. A detailed explanation of these amendments is enclosed with this newsletter.

- Effective January 1, 2006, the grace period for providing certified copies of birth or marriage certificates has been extended to six months (it was previously 90 days).

The Board of Trustees has made the following changes to the Directors Guild of America - Producer Pension Plans:

- Effective January 1, 2006, the amount of earnings required to earn one (1) Credited Service Month (CSM) was increased from \$2,500 to \$2,600. \$31,200 in covered earnings during a calendar year will result in earning the maximum 12

CSMs. The amount of earnings required to earn one CSM is reviewed annually by the Pension Plans' Board of Trustees.

- Effective January 1, 2006, the requirements for pension contributions made on behalf of Theatrical Directors employed over a two-year span and paid \$200,000 or more in a single year were changed from \$170,000 in the first year, \$30,000 in the second year to \$150,000 in the first year, \$50,000 in the second year. This change applies to motion pictures with an employment period beginning in calendar year 2005 or later and ending with delivery of an answer print in the subsequent year. The Health Plan contributions ceiling for theatrical projects remains based upon compensation of \$400,000.

Continued on Page 5

One Health Plan, Two ID Cards

When you visit a provider, they will often request a copy of your coverage card. It is important that you know the difference between your Medco ID card and your Health Plan ID card(s). Otherwise, this could result in unnecessary delays in processing your claims.

Every participant has at least two cards: 1) the Medco ID card; and 2) the DGA Health Plan ID card. California participants have a two-part Health Plan ID card. Participants outside California have a single ID card.

All participants covered under the Plan's prescription drug coverage receive a Medco ID Card. Your pharmacist will likely ask for your prescription drug card when you drop off a prescription. It allows the pharmacy to look up your prescription coverage and ensures that you will be charged the proper co-payment. Without the card, you may have to initially pay full price for the medication.

All California participants covered under the DGA Choice and Premier Choice plans receive a two-part ID card from the Health Plan office: the DGA Hospital ID Card and the DGA Professional ID Card. When you visit a doctor's office or

check into a hospital for the first time, you should provide this two-part ID card.

the DGA Choice or Premier Choice plans receive a single Health Plan ID card. You should provide this card to all providers and hospitals, except pharmacies.

Providers do not know the difference between your Medco ID card and your Health Plan ID card. If you submit your Medco ID card as proof of your health insurance, the provider will likely use your Medco number on health claims submitted to the Health Plan. This will cause the claim to be automatically rejected, as the Plan's system does not recognize Medco ID numbers.

The rejected claim will be sent back to the provider, who will either re-send the claim or will send you a bill for their services.

To avoid this situation, simply remember to use your Medco ID card only in connection with prescription drugs obtained at a Medco-participating pharmacy. Your Health Plan ID card(s) should be used in connection with all non-prescription drug services.

If you believe that you have mistakenly provided your prescription drug card to some of your providers, you should inform them of the error as soon as possible.

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Directors Guild of America - Producer Health Plan

RxBin: 610014

RxGrp: DGAPRHP

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ID No.: 999999999999

Name: JOHN DOE

The Medco ID Card

HOSPITAL

GROUP NO.: 170039M

DIRECTORS GUILD OF AMERICA PRODUCER HEALTH PLAN

PRIME BUYER PLAN*

SOCIAL SECURITY NO.: []-[]-[]-9999

PARTICIPANT'S NAME: DOE, JOHN

DEPENDENT'S NAME:

EFFECTIVE DATE: 01/01/2006

FOR ELIGIBILITY, CLAIMS AND CUSTOMER SERVICE, CALL:
Directors Guild of America Producer Health Plan • P.O. Box 48127, Los Angeles, CA 90048
323-866-2200 Ext. 401 • Outside LA 877-866-2200 Ext. 401

INPATIENT MENTAL HEALTH & SUBSTANCE ABUSE BENEFITS must be pre-approved by PacificCare Behavioral Health 888-502-4502

IMPORTANT INFORMATION ON REVERSE SIDE

The DGA Hospital ID Card (CA)

PROFESSIONAL

GROUP NO.: 170039M

DIRECTORS GUILD OF AMERICA PRODUCER HEALTH PLAN

PRIME BUYER PLAN*

Electronic Submitter No: 23706

SOCIAL SECURITY NO.: []-[]-[]-9999

PARTICIPANT'S NAME: DOE, JOHN

DEPENDENT'S NAME:

EFFECTIVE DATE: 01/01/2006

FOR ELIGIBILITY, CLAIMS AND CUSTOMER SERVICE, CALL:
Directors Guild of America Producer Health Plan • P.O. Box 48127, Los Angeles, CA 90048
323-866-2200 Ext. 401 • Outside LA 877-866-2200 Ext. 401

For enhanced outpatient mental health benefits call PacificCare Behavioral Health at 888-502-4502

The DGA Professional ID Card (CA)

DIRECTORS GUILD OF AMERICA - PRODUCER HEALTH PLAN

Soc. Sec. No.: []-[]-[]-9999

Participant's Name: DOE, JOHN

Dependent's Name:

Effective Date: 01/01/2006

Submit Claims to the Plan Office and call (877) 866-2200 Ext. 401 or (323) 866-2200 Ext. 401 for inquiries.

For inpatient Mental Health & Substance Abuse and for enhanced outpatient Mental Health benefits call PHCS at (888) 502-4502

PHCS
PRIVATE HEALTHCARE SYSTEMS
MD Plan

The DGA ID Card (Outside CA)

Participants residing outside California and covered under

NEW POLICY

Maintenance Medication Must be Obtained Through *Medco by Mail* Effective April 1

Soon, the DGA-Producer Health Plan will be introducing a new mandatory mail order policy for most long-term prescriptions. Under the new policy, Plan participants will pay significantly less for their long-term prescriptions by filling them through *Medco by Mail*.

Convenient and easy-to-use, *Medco by Mail* allows Health Plan participants to obtain the same long-term prescriptions that they would get at a retail pharmacy at a lower co-payment. Currently, mail order co-payments are nearly 17% lower than the retail co-payment for the same amount of a prescription.

Effective April 1, 2006, Plan participants will pay the entire cost of covered medications taken on a long-term basis (3 months or more) if the medications are purchased at a retail pharmacy. However, if purchased through *Medco by Mail*, participants will only pay the applicable mail order co-payment (\$25 for a 90-day supply of generic drugs and \$60 for a 90-day supply of brand name drugs).

In order to give participants time to enroll in *Medco by Mail*, participants will continue to pay the applicable retail co-payment (\$10 for a 30-day supply of generic drugs and \$24 for a 30-day supply of brand name drugs) for the first two times that a long-term drug is purchased at a retail pharmacy after April 1, 2006.

Participants should continue to obtain all of their short-term drugs, such as antibiotics, at a Medco-participating retail pharmacy.

Health Plan participants can log on to their account on Medco's Web site (www.medco.com) to find out which of their current medications are impacted by the new policy.

Please note that certain types of covered long-term medications (e.g. compounds) cannot be delivered through *Medco by Mail*. In cases where a drug is not available through *Medco by Mail*, the mandatory mail order policy will not apply. Health Plan participants will only pay the applicable retail co-payment when a medication not available through *Medco by Mail* is purchased through a Medco-participating retail pharmacy.

Health Plan participants will be receiving additional documentation from Medco, including specific instructions on how to enroll in *Medco by Mail*, some time in March.

If you have any questions regarding the Health Plan's new mail order policy, you can contact the Health Plan at (323) 866-2200, Option 1 or toll free outside the Los Angeles area at (877) 866-2200, Option 1.

Medco Cannot Deliver Outside U.S.

By law, *Medco by Mail* cannot deliver prescription medication outside the U.S. Participants who are leaving the country for extended periods of time may contact the Plan office to obtain an override on their prescriptions that will allow them to obtain the necessary amount of medication prior to leaving the country.

MYTH BUSTED

Qualifying for DGA-PPHP Health Coverage



The Myth

Health Plan coverage is based on your meeting the Health Plan's minimum earnings threshold during a calendar year.



The Truth

Health Plan coverage is based on earnings during earnings periods, not a calendar year. Earnings periods are one-year periods that begin the first day of each calendar quarter (beginning in January, April, July and October).

Your earnings period is set when you initially qualify for health coverage. To qualify, the Plan must receive contributions based on the applicable minimum earnings required. For example, if your first contributions into the Health Plan are based on \$50,000 in earnings for December 2006, your applicable earnings period will be January 2006 to December 2006. There is a one-quarter waiting period before the start of your coverage. In this case, your one-year benefit period will begin on April 1, 2007.

The chart below illustrates the 2006 earnings periods and their applicable benefit periods.

Once you establish an earnings period (e.g. January to December), it will remain your applicable earnings period as long as you continue to qualify for earned health coverage without a break. If, at some point, you do not qualify for health coverage during your applicable earnings period, the Health Plan will roll forward your earnings period by one quarter, to see if you qualified during the next earnings period, and so on, each quarter.

Once you re-qualify for earned health coverage, the earnings period that you qualify under will be your new applicable earnings period.

Earnings Periods vs. Benefit Periods

The following chart illustrates the four earnings periods that begin in 2006 (1/1/06 to 12/31/06, 4/1/06 to 3/31/07, 7/1/06 to 6/30/07 and 10/1/06 to 9/30/07) and their corresponding benefit periods. Note that there is a one-quarter waiting period after the end of an earnings period and the beginning of its corresponding benefit period.

January 2006	February 2006	March 2006	April 2006	May 2006	June 2006	July 2006	August 2006	September 2006	October 2006	November 2006	December 2006	January 2007	February 2007	March 2007	April 2007	May 2007	June 2007	July 2007	August 2007	September 2007	October 2007	November 2007	December 2007	January 2008	February 2008	March 2008	April 2008	May 2008	June 2008	July 2008	August 2008	September 2008	October 2008	November 2008	December 2008
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DGA-PPHP Enters Cyberspace

For the first time, the Pension and Health Plans have a presence on the Web.

Previously, participants had to go to the DGA's site to find information regarding the Pension and Health Plans. Now, Pension and Health Plan participants can log onto www.dgaplans.org.

The Plans' Web site features:

- A general description of the features of the DGA-Producer Pension and Health Plans;
- Phone numbers and links to several Health Plan benefit providers and managers;
- Employer contributions reporting forms;
- Several useful Health and Pension Plan forms and past newsletters.

If you have any questions or suggestions, you can send an e-mail to communications@dgaplans.org or contact the Communications Dept. at (323) 866-2214.

HIPAA Notice

All Health Plan participants may obtain a copy of the Health Plan's Notice of Privacy Practices:

- Under the **Documents and Forms** section of the DGA-PPHP's Web site (www.dgaplans.org);

or

- By requesting a mailed copy via telephone at (323) 866-2200, Extension 401 or toll-free outside the Los Angeles area at (877) 866-2200, Extension 401.

If you have any questions regarding the Notice of Privacy Practices, please contact the Plans' Privacy Officer at (323) 866-2200, Extension 305 or toll-free outside the Los Angeles area at (877) 866-2200, Extension 305.

Pension and Health Plan Changes

Continued from Page 1

- Per the January 1, 2001 Pension Plans booklet, suspendible service is employment in the same industry, the "same trade or craft" and the same geographic area.

Effective January 1, 2006, the definition of "same trade or craft" was changed from:

a job consisting in whole or substantial part of functions performed in any job capacity or capacities covered by a Guild Collective Bargaining Agreement (other than functions performed by employees of the Guild or the Pension Plan)

to

an occupation in which the Participant was employed at any time under the coverage of the Plan, any occupation utilizing the same skill(s), and any other self-employment or supervisory employment related to the same skill(s) as were involved in such occupation(s).

If you have any questions regarding these Pension and Health Plan changes, or any questions in general regarding DGA-PPHP Pension and Health Plan coverage, you can contact us at (323) 866-2200 or toll-free outside the Los Angeles area at (877) 866-2200.

Raising the Bar for Patient Safety

The American medical system has become increasingly specialized, improving the way we practice outpatient medicine, but also fragmenting it. This fragmentation, without a critical communications system in place, puts patients at risk.

According to *Prescription for Disaster* by Thomas Moore, Americans are 13 times more likely to be hospitalized from prescription drug related problems than from car accidents. The cost of such hospitalizations can weigh heavily on the shoulders of those who pay for healthcare – for every dollar spent on a prescription drug, another dollar is spent treating an adverse event caused by a prescription drug.

At the heart of the problem is the complex web of care that involves patients with multiple diseases seeing multiple physicians, and receiving multiple prescriptions that are filled at multiple pharmacies. An analysis by Medco, the Health Plan's prescription drug benefit manager, found that one in four seniors was prescribed medications by four or more doctors, with one senior in seven filling pre-

scriptions at five or more pharmacies in 2002. Without a unified electronic medical record, this "medication matrix" can be dangerous.

In its efforts to help ensure the safety of DGA-Producer Health Plan participants, the Health Plan's Board of Trustees has contracted with Medco, the Plan's prescription drug benefit manager, to implement a system known as RationalMed®.

RationalMed® continuously monitors outpatient claims and prescription drug use. The program looks for potential drug/disease and drug/drug interactions that might put a participant at increased risk. When identified, Medco will communicate these potential interactions to your physician(s), so that they will have the opportunity to modify your treatment and decrease any potential risk to you. While communications sent to physicians are only of an advisory nature, many physicians do take action. In a recent twelve-month period, RationalMed® has helped avoid as many as 20,000 potential hospitalizations across its enrolled population.

New Network Hospital Opens in Century City

A new hospital, Century City Doctors Hospital, recently opened in Century City. The hospital, which is a physician-owned facility, is in the same location as the previous Century City Hospital, which closed its doors in 2004.

The good news for Health Plan participants is that Century City Doctors Hospital is one of the many first class healthcare facilities that belong to the Health Plan's Blue Cross PPO network. Participants who utilize PPO hospitals have their allowable claims covered at 90%, versus non-PPO hospitals that are covered at 60% (for DGA Choice Plan participants) or 70% (for DGA Premier Choice Plan participants).

For more information regarding Century City Doctors Hospital, you can visit their Web site: www.ccdoctorshospital.com.

For more information regarding the Health Plan's California PPO network, participants residing in California can visit the Blue Cross Web site, www.bluecross.com.

For more information regarding the Health Plan's PPO network outside California, participants residing or traveling outside California can visit the Private Healthcare Systems (PHCS) Web site, www.phcs.com.

NEW POLICY

Substance Abuse Prescriptions

Effective immediately, the Health Plan has authorized Medco, the Health Plan's prescription drug benefit manager, to establish an initial 100% co-payment for certain drugs prescribed to treat substance abuse, including Suboxone. Previously, these types of medications were not covered by the Health Plan.

Prior to filling your initial PacifiCare Behavioral Health (PBH)-approved prescription for substance abuse medication, you should contact the Health Plan. The Health Plan will work with Medco and PBH to implement the appropriate pre-authorization. This will allow you to pay only the applicable co-pay when you initially fill the prescription.

If, during your PBH-approved substance abuse treatment, you receive a prescription for substance abuse medication and you do not contact the Health Plan for pre-authorization, you may fill that prescription at a Medco-participating pharmacy. When you fill the prescription, you will have to pay 100% of the cost of the medication. You can then submit the claim to the Health Plan for reimbursement. If the prescription was part of a PBH-approved course of treatment, the cost of the prescription will be refunded to you, less any applicable co-payment.

For any subsequent refills, the Health Plan will coordinate your pre-authorizations for substance abuse medication with Medco and PBH. Once the pre-authorization has been established in Medco's system and if the PBH authorization has not expired, you will be able to obtain future prescriptions at a Medco-participating pharmacy. When you fill the prescription, you will only pay the applicable co-payment. Once the authorization has expired, you will be required to obtain a new prescription from your provider.

Please note that, in order to be considered covered under the Health Plan, substance abuse drugs must be prescribed by a PBH network physician during the course of your PBH-approved substance abuse treatment.

Send all claims for reimbursement relating to Suboxone or other approved substance abuse drugs to the Health Plan at:

DGA-Producer Health Plan
8436 W. Third Street
Suite 900
Los Angeles, CA 90048-4189
Attn: Claims Department

For more information on the Health Plan's substance abuse benefit, please contact PBH at (888) 502-4502.

It Pays to Check with PacifiCare

When utilizing the Plan's outpatient mental health benefits, you should check with PacifiCare Behavioral Health (PBH), even if you plan on visiting your own doctor.

Under the in-network outpatient mental health benefit, you are allowed up to 30 visits in a calendar year and pay a \$25 co-payment for each visit. The out of network benefit features a maximum of 20 visits per calendar year, and you pay 50% of covered expenses.

Even if you have already chosen a provider, you should contact PBH. You can check to see if your provider is in PBH's provider network and if your treatment falls under the in-network benefit.

You must contact PBH before you visit a provider. All in-network benefits must be pre-authorized by PBH. If you visit a PBH provider, but do not receive pre-authorization from PBH, the claims will fall under the out of network benefit.

If you have any questions regarding the Plan's mental health benefits, please contact PBH at (888) 502-4502.



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PENSION AND HEALTH PLANS**

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Retirees Receive 13th Check in 2006

At its December meeting, the Pension Plans' Board of Trustees considered sending out an additional pension check to participants receiving a monthly benefit from the Basic Pension Plan. The Board of Trustees decided that, if the Basic Pension Plan's investments met the Pension Plan's 7.5% actuarial rate of return for 2005, a thirteenth check would be mailed to applicable retirees in early 2006.

Well, there's good news: the Basic Pension Plan met its investment goal for 2005.

As a result, an additional pension payment was sent to all eligible Basic Plan

pensioners with their March payment. All pensioners who received a monthly Basic Plan payment in December 2005 were eligible to receive this additional check.

It is important to note that this thirteenth check is a one-time benefit payment and is not a permanent benefit increase.

If you have any questions regarding the DGA-Producer Pension Plans, please do not hesitate to contact the Pension Department at (323) 866-2200, Extension 404 or toll-free outside the Los Angeles area at (877) 866-2200, Extension 404.

REMINDER

Mental Health Claims Should be Sent Directly to PacifiCare

PacifiCare Behavioral Health (PBH) is processing all of the Health Plan's mental health and substance abuse claims. The Health Plan office can no longer accept mental health and substance abuse claims. These claims should be mailed directly to PBH at:

PacifiCare Behavioral Health
P.O. Box 31053
Laguna Hills, CA 92654

You can contact PacifiCare at:
(888) 502-4502.

All mental health and substance abuse claims received by the Health Plan office will be sent back to the participant.