

COBRA CONTINUATION COVERAGE ELECTION FORM

To elect COBRA continuation coverage, complete this form and return it to us. Under federal law, you must have 60 days after the date of this notice to decide whether you want to elect COBRA continuation coverage under the Plan.

This form must be completed and returned by mail and must be post-marked no later than the Election Due Date.

If you do not submit a completed form by the Election Due Date, you will lose your right to elect COBRA continuation coverage. If you reject COBRA continuation coverage before the Election Due Date, you may change your mind as long as you furnish a completed Election Form before the Election Due Date. However, if you change your mind after first rejecting COBRA continuation coverage and it is before the Election Due Date, your COBRA continuation coverage will begin on the date you furnish this completed form.

Please read the important information about your COBRA rights included in the pages after this form.

I (We) elect COBRA continuation coverage in the Directors Guild of America-Producer Health Plan as indicated below:

Name	Date of Birth	Relationship to Participant	Social Security Number	Coverage Option

(Attach additional pages if coverage will be elected for additional individuals.)

Participant Signature: X Date: _____

Participant Name: _____

Relationship to Individuals Listed above: _____

Address: _____

Phone Number: _____

Send this completed form to:

Eligibility Department
 Directors Guild of America-Producer Health Plan
 8436 W. Third Street, Suite 900
 Los Angeles, California 90048

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COBRA CONTINUATION COVERAGE DISCLOSURE

Important Information about your COBRA continuation coverage rights under the DGA-Producer Health Plan.

WHAT IS CONTINUATION COVERAGE?

Federal law (called "COBRA") requires that most group health plans (including this Plan) give "qualified beneficiaries" the opportunity to continue their health care coverage upon the occurrence of a "qualifying event" that results in a loss of coverage under a group health plan. Depending on the type of qualifying event, qualified beneficiaries may include the participant (or retired participant) covered under the group health plan, the covered participant's spouse, and the dependent children of the covered participant.

Each qualified beneficiary who elects continuation coverage will have the same rights under the Plan as other participants or beneficiaries covered under the Plan, including open enrollment and special enrollment rights.

WHAT CONSTITUTES A "LOSS OF COVERAGE" UNDER THE PLAN?

A participant or beneficiary's right to COBRA coverage depends upon whether the participant or beneficiary experiences a "loss of coverage" in connection with the qualifying event. For this purpose, a "loss of coverage" will occur when a participant or beneficiary ceases to be covered under the same terms and conditions in effect immediately before the qualifying event. For example, a participant in the DGA Premier Choice Plan who is required to move to coverage under the DGA Choice Plan at the beginning of a new benefits period because the participant did not generate sufficient earnings to continue coverage in the DGA Premier Choice Plan will have experienced a "loss of coverage" and qualify for COBRA continuation coverage. In this example, even though you will still have coverage under the Plan, the Health Plan Office is required to offer continuation coverage, by law, because you have technically experienced a "loss of coverage" in connection with a qualifying event. Please contact the Plan if you have any questions regarding whether you have experienced a loss in coverage that would entitle you to COBRA continuation coverage.

HOW LONG WILL CONTINUATION COVERAGE LAST?

If you elect COBRA continuation coverage, your coverage will continue for the number of months listed in the first page of the notice. In the case of a loss of coverage due to the employee's earned coverage terminating, coverage generally may be continued only for up to a total of 18 months. In the case of losses of coverage due to a participant's death, divorce, or a dependent child ceasing to be a dependent under the terms of the plan, coverage may be continued for up to a total of 36 months. When the qualifying event is the termination of the employee's earned coverage, and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA continuation coverage for qualified beneficiaries other than the employee lasts until 36 months after the date of Medicare entitlement.

Continuation coverage (and any period of self-pay after the COBRA period) will be terminated before the end of the maximum period if:

- any required premium is not timely paid in full, or
- the Plan ceases to provide any group health care coverage.

Continuation coverage may also be terminated for any reason the Plan would terminate coverage of a participant or beneficiary not receiving continuation coverage (such as fraud).

HOW CAN YOU EXTEND THE LENGTH OF COBRA CONTINUATION COVERAGE?

If you elect COBRA continuation coverage, and if the maximum period of COBRA continuation coverage shown on the first page of this notice is less than 36 months, an extension of the maximum period of coverage may be available if a qualified beneficiary is disabled or a second qualifying event occurs. You must notify the Plan's Eligibility Department at (323) 866-2200 Ext. 402 (or toll free at (877) 866-2200, extension 402, if you are outside of the greater Los Angeles area) of a disability or a second qualifying event in order to extend the period of continuation coverage. Failure to provide notice of a disability or second qualifying event may affect the right to extend the period of continuation coverage.

An extension of coverage may also be available if the participant is working in California at the time of the qualifying event and is or becomes covered under the HMO during the COBRA coverage period. If you are entitled to this extension of coverage, you will be sent a separate notice explaining your right to this coverage. If you have questions regarding this type of continuation coverage, please call the Plan's Eligibility Department at (323) 866-2200 Ext. 402 (or toll free at (877) 866-2200, extension 402, if you are outside of the greater Los Angeles area).

You may also be eligible to self-pay to continue coverage after your COBRA coverage is exhausted. If you are entitled to self-pay to continue coverage after your COBRA period, the first page of the COBRA Continuation Coverage Election Notice will contain a statement informing you of the number of additional months of self-pay coverage for which you are eligible.

Disability

An 11-month extension of coverage may be available if the Social Security Administration (SSA) determines that a qualified beneficiary is disabled. The disability must have started at any time during the first 60 days of COBRA continuation coverage and last at least until the end of the 18-month period of continuation coverage. This extension is available only if the Plan's Eligibility Department is notified in writing of the disability within 60 days of the SSA's determination and within the initial 18 month period. The notice must be sent to Eligibility Department, Directors Guild of America – Producer Health Plan, 8436 West Third Street, Suite 900, Los Angeles, California 90048. As long as one of the qualified beneficiaries (whether or not the covered employee) affected by the qualifying event is determined to be disabled and satisfies the above requirements, each qualified beneficiary who has elected continuation coverage will be eligible for the 11-month disability extension. If the SSA determines that a qualified beneficiary is no longer disabled, you must notify the Plan's Eligibility Department at the above address of the SSA's determination in writing within 30 days after SSA's determination.

Second Qualifying Event

An 18-month extension of coverage will be available to spouses and dependent children who elect continuation coverage if a second qualifying event occurs during the first 18 months of continuation coverage. The maximum amount of continuation coverage available when a second qualifying event occurs is 36 months. Such second qualifying events may include the death of a covered participant, divorce or separation from the covered participant, the covered participant's becoming entitled to Medicare benefits (under Part A, Part B, or both), or a dependent child's ceasing to be eligible for coverage as a dependent under the Plan. These events can be a second qualifying event only if they would have caused the qualified beneficiary to lose coverage under the Plan if the first qualifying event had not occurred. You must notify the Plan within 60 days after a second qualifying event occurs if you want to extend your continuation coverage.

HOW CAN YOU ELECT COBRA CONTINUATION COVERAGE?

To elect continuation coverage, you must complete the Election Form and furnish it according to the directions on the form. Each qualified beneficiary has a separate right to elect continuation coverage. For example, the participant's spouse may elect continuation coverage even if the participant does not. Continuation coverage may be elected for only one, several, or for all dependent children who are qualified beneficiaries. A parent may elect to continue coverage on behalf of any dependent children. The participant or the participant's spouse may elect continuation coverage on behalf of all qualified beneficiaries.

In considering whether to elect continuation coverage, you should take into account that a failure to continue your group health coverage will affect your future rights under federal law. First, you can lose the right to avoid application of pre-existing condition exclusions by other group health plans if you have more than a 63-day gap in health coverage. Election of continuation coverage may help you avoid such a gap. Second, you will lose the guaranteed right to purchase individual health insurance policies that do not impose such pre-existing condition exclusions if you do not get continuation coverage for the maximum time available to you. Finally, you should consider your special enrollment rights under federal law. You have the right to request special enrollment in another group health plan for which you are

otherwise eligible (such as a plan sponsored by your spouse's employer) within 30 days after your group health coverage ends because of the qualifying event listed above. You will also have the same special enrollment right at the end of continuation coverage if you get continuation coverage for the maximum time available to you.

WHAT ARE YOUR CONTINUATION COVERAGE OPTIONS?

If you were covered under the DGA Choice Plan or the DGA Premier Choice Plan immediately prior to your termination of coverage under the Plan and you elect to continue coverage under COBRA, you will be eligible for the plan you were in immediately prior to your qualifying event. To continue your prior coverage, you would elect either the "DGA Gold Choice Plan" (to continue your DGA Choice Plan coverage) or the "DGA Gold Premier Choice Plan" (to continue your DGA Premier Choice Plan coverage). In addition to allowing you to continue your current coverage, the Plan permits you to choose from other coverage options for your COBRA continuation coverage. These coverage options, described below, are the DGA Silver Plan and the DGA Bronze Plan. If you choose to continue coverage under the DGA Silver Plan or the DGA Bronze Plan, the coverage that has been dropped cannot be reinstated. Also, if you choose not to continue coverage for your dependents, their coverage cannot be reinstated immediately (although they may individually elect COBRA coverage during the 60-day COBRA election period). You must wait until the next open enrollment period, or re-qualify for earned coverage through employer contributions to have any dropped coverage or dependents reinstated. You also may change your

COBRA coverage option whenever your coverage status changes – such as a change in your family due to marriage, birth, adoption or placement for adoption. At that time you may elect to continue the same coverage or choose a plan with lesser benefits. If you elect self-pay coverage (including COBRA coverage), you may not switch to a more expensive plan as long as you remain on self-pay. For example, if you choose the DGA Bronze Plan, you may not move to the DGA Gold Plan.

These plans are available for the COBRA period and any extended self-pay period:

DGA Gold Plans

There are two DGA Gold Plans: DGA Gold Plan for Choice Plan participants and DGA Gold Plan for Premier Choice Plan participants. You will be eligible for the same level of coverage as immediately prior to your qualifying event.

DGA Silver Plan

The DGA Silver Plan offers medical (same benefits as the DGA Choice Plan) and prescription drug coverage only. It does not cover dental or vision benefits.

DGA Bronze Plan

This plan only provides medical coverage and has the same benefit design as the other COBRA and self-pay plans except for the following:

Deductible

Individual	\$ 750.00
Family	\$2,250.00

Co-Insurance

	Plan Pays	You Pay
PPO	70%	30%
Non-PPO	50%	50%

Out-of-Pocket Maximum (In excess of deductible)

PPO	\$ 7,500.00
Non-PPO	\$12,500.00

The following benefits are not provided under the DGA Bronze:

- prescription drug;
- inpatient psychiatric;
- substance abuse;
- vision;
- dental;
- wellness benefit; and
- special arrangements with The Industry Health Network.

HOW MUCH DOES COBRA CONTINUATION COVERAGE COST?

Generally, each qualified beneficiary may be required to pay the entire cost of continuation coverage. The amount a qualified beneficiary may be required to pay may not exceed 102 percent (or, in the case of an extension of continuation coverage due to a disability, 150 percent) of the cost to the group health plan (including both employer and employee contributions) for coverage of a similarly situated plan participant or beneficiary who is not receiving continuation coverage. If you are a self-pay participant or COBRA participant, the amount of your self-pay premium will be based on the amount of dependents covered and whether you or your eligible dependents are eligible for Medicare.

The required payment for each continuation coverage period for each option is described in the COBRA Continuation Coverage Election Notice.

FOR MORE INFORMATION

This notice does not fully describe continuation coverage or other rights under the Plan. More information about continuation coverage and your rights under the Plan is available in your summary plan description or from the Plan Administrator.

If you have any questions concerning the information in this notice, your rights to coverage, or if you want a copy of your summary plan description, you should contact the Plan's Eligibility Department at (323) 866-2200, extension 402 or toll free outside the Los Angeles area at (877) 866-2200, extension 402, or at the address listed above.

For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit the EBSA website at www.dol.gov/ebsa. Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.

KEEP YOUR PLAN INFORMED OF ADDRESS CHANGES

You are obligated to keep the Health Plan Office informed of any changes in your address and telephone number and the addresses and telephone numbers of family members. You should also keep a copy, for your records, of any notices you send to the Health Plan Office.

SELF-PAYING FOR HEALTH COVERAGE

This is only a summary. Please refer to the July 1, 2003 Health Plan Booklet for detailed information, or contact the Plan office. Please note that all of the options detailed here are not available to all participants.

DGA GOLD PLAN FOR PREMIER CHOICE PARTICIPANTS

The DGA Gold Plan for Premier Choice Participants offers medical, prescription drug, dental and vision benefits. These are the same benefits as a participant with active coverage under the DGA Premier Choice Plan (see page 31 of the January 2010 Health Plan booklet). The individual deductible is \$325. The family deductible is \$975. Under this option, the Health Plan pays 90% of covered network expenses and 70% of covered non-network expenses. The network out-of-pocket maximum is \$1,000. The non-network out-of-pocket maximum is \$3,000. This option is only available to participants whose most recent active coverage was under the DGA Premier Choice Plan.

DGA GOLD PLAN FOR CHOICE PARTICIPANTS

The DGA Gold Plan for Choice Participants offers medical, prescription drug, dental and vision benefits. These are the same benefits as a participant with active coverage under the DGA Choice Plan (see page 31 of the January 2010 Health Plan booklet). The individual deductible is \$325. The family deductible is \$975. Under this option, the Health Plan pays 90% of covered network expenses and 60% of covered non-network expenses. The network out-of-pocket maximum is \$1,000. The non-network out-of-pocket maximum is \$7,500.

DGA GOLD PLAN FOR CHOICE PARTICIPANTS, DELTACARE

Same as the DGA Gold Plan for Choice Participants (above), but with a dental HMO option administered by Delta Dental instead of the standard dental coverage.

DGA SILVER PLAN

The DGA Silver Plan offers only medical and prescription drug coverage. It does not offer dental or vision benefits. The deductibles, co-insurance and out-of-pocket maximums are the same as the DGA Gold Plan for Choice Participants detailed above.

DGA BRONZE PLAN

The DGA Bronze Plan offers only medical coverage. It does not offer prescription drug, dental or vision benefits. The individual deductible is \$750. The family deductible is \$2,250. The DGA Bronze Plan covers 70% of covered network expenses and 50% of covered non-network expenses. The network out-of-pocket maximum is \$7,500. The non-network out-of-pocket maximum is \$12,500.

HEALTHNET ONLY COBRA

This is the Health Plan's Medical HMO option. HMO benefits are administered by HealthNet. It does not offer dental or vision benefits. This option is not available to participants who reside outside of California or who will turn age 65 or older during their benefit period. See the reverse of this sheet for a summary of the benefits offered under the Health Plans' HMO option.

HEALTHNET, DELTA DPO

Same as HealthNet Only COBRA (above), but with the addition of the Health Plan's regular dental coverage.

HEALTHNET, DELTACARE

Same as HealthNet Only COBRA (above), but with the addition of the Health Plan's Dental HMO coverage, administered by Delta Dental.

THE HEALTHNET HMO OPTION

This is only a summary. The HMO option is only available to California residents and to those participants who are under age 65 and will not be turning age 65 during their benefit period. The Health Plan's HMO option is administered by HealthNet. For a full description of the benefits provided under the HMO option, please refer to the HMO Summary of Benefits and Disclosure Form, which is available upon request from the Health Plan office.

SELECTION OF PHYSICIANS

When you enroll with HealthNet, you will be required to choose a contracting physician group and a Primary Care Physician (PCP) from a list of available physicians in your area. HealthNet'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 in advance through your PCP or physician group.

SCHEDULE OF BENEFITS AND COVERAGE

The following is a partial list, taken from the HMO Summary of Benefits and Disclosure Form.

Deductible:	None
Lifetime Maximum:	None
Maximum Co-Payment Liability (one member):	\$1,500.00
Maximum Co-Payment Liability (two members):	\$3,000.00
Maximum Co-Payment Liability (family):	\$4,500.00
Visit to Physician:	\$10
Specialist Consultations:	\$10
Periodic Health Evaluations:	\$10
Emergency Room:	\$50
Urgent Care Center:	\$50
Non-Severe Mental Disorder Benefits	
Outpatient	
Individual Session:	\$20
Group Session:	\$10
Chemical Dependency Benefits	
Outpatient	
Individual Session:	\$20
Group Session:	\$10
Level I Drugs:	\$5
Level II Drugs:	\$10